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October 28, 2024

Re: IN THE MATTER OF MEDIUM AND HEAVY DUTY ELECTRIC VEHICLE CHARGING ECOSYSTEM

BPU Docket No. QO21060946

Agenda Date: October 23, 2024 – Agenda Item: 8D

To the Service List:

Please be advised that the New Jersey Board of Public Utilities ("Board") has issued a non-substantive amendment of its Order dated October 23, 2024, in this matter, setting forth minimum filing requirements for medium and heavy-duty charging.

First, the service list appearing on page 11 of the Order has been reformatted and amended to include all contacts. Second, the footer on even pages after page 14 has been adjusted to correctly reflect the docket number for this matter. Finally, an error with the numbers as they appeared in a list utilized on pages 52-53 has been amended, as follows:

On page 53, "4)" was inadvertently omitted due to a formatting error that misnumbered the list. The list appears corrected as follows on page 52 of the amended document:

> 4) No one entity that applies for an incentive under any approved MHD Plan may receive more than twenty-five percent (25%) of the total incentive budget of any one (1) EDC."
>
> 5) EDCs must require program applicants to disclose whether they are seeking public funding. In no case shall the combination of the federal, State, other government, and utility sources fund more than ninety percent (90%) of a project's total costs through rebates or other direct incentives.[49] If more than ninety percent (90%) of the total project costs are funded through federal, State, other government, and utility rebates or grants, the EDC shall reduce its incentive funding to bring the total rebates and incentives to under ninety percent (90%) of the total project costs

No further changes have been implemented to the Amended Order, which has been re-distributed to the parties of record and the attached service list. This correction does not substantively change or alter the Board's decision.

The Amended Order will be posted on the Board's website.

Sincerely,

Sherri L. Golden Board Secretary

Agenda Date: 10/23/24
Agenda Item: 8D

STATE OF NEW JERSEY
Board of Public Utilities
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Trenton, New Jersey 08625-0350
www.nj.gov/bpu/

CLEAN ENERGY

IN THE MATTER OF MEDIUM AND HEAVY DUTY ELECTRIC VEHICLE CHARGING ECOSYSTEM	ORDER DOCKET NO. QO21060946

Parties of Record:

Brian O. Lipman, Esq., Director, New Jersey Division of Rate Counsel
Neil Hlawatsch, Esq., Assistant General Counsel, Atlantic City Electric Company
Margaret Comes, Esq., Associate Counsel, Rockland Electric Company
Michael Martelo, Esq., Assistant General Counsel, Jersey Central Power & Light Company
Stacey M. Mickles, Esq., Associate Counsel, – Regulatory Law, Public Service Electric and Gas Company

BY THE BOARD:

By this Order, the New Jersey Board of Public Utilities ("Board" or "BPU") considers the adoption of minimum filing requirements ("MFRs") directing New Jersey's investor-owned electric distribution companies ("EDCs")[1] to propose programs that are calculated to expand access to charging for medium-and-heavy-duty ("MHD") electric vehicles ('EVs").[2]

BACKGROUND AND PROCEDURAL HISTORY

The Board is statutorily authorized to require public utilities to provide "service in a manner that tends to conserve and preserve the quality of the environment and prevent the pollution of the waters, land and air of this State."[3] Applied here, the Board must consider the current status of the State's goals, as well as the need for further development of the record on issues such as MHD EV charging and fleet vehicle infrastructure.

[1] New Jersey's investor-owned electric distribution companies include Atlantic City Electric Company ("ACE"), Jersey Central Power & Light Company ("JCP&L"), Public Service Electric and Gas Company ("PSE&G"), and Rockland Electric Company ("RECO"), (individually, "EDC"; collectively, "EDCs").

[2] For definitions of the technical terms contained in this Order, refer to the definition list contained in Exhibit 2 starting on Page 11 of this Order.

[3] N.J.S.A. 48:2-23.

One of the Board's roles in this collaborative effort is to supervise and regulate the EDCs in promoting EV adoption.[4] Specifically, the Electric Vehicle Act ("EV Act"), enacted in January 2020, provides the Board the authority to adopt additional policies and programs to accomplish the established EV goals of the State.[5] The EV Act established that EV adoption is in the public interest, and that all of New Jersey — its residents, its businesses, its economy, its environment — will benefit from the widespread adoption of EVs.[6] Accordingly, the EV Act directed the Board to adopt policies and incentive programs to advance the adoption of EVs and the development of EV charging infrastructure.[7] The EV Act additionally established the State's goals for the use of plug-in EVs and the development of supporting EV charging infrastructure.[8] In particular, the EV Act directed the New Jersey Department of Environmental Protection ("NJDEP"), in consultation with the Board, to develop goals to support charging infrastructure and electrification of MHD vehicles, similar to those established for light duty vehicles.[9]

New Jersey's transportation sector accounts for nearly forty percent (40%) of the State's net greenhouse gas ("GHG") emissions, making it the largest emissions source in the State and a critical place to start when tackling the issue of reducing emissions, as documented in the 2019 Energy Master Plan ("EMP").[10]

MHD vans, trucks, and buses account for only four percent (4%) of all vehicles on the road but are responsible for nearly twenty-five percent (25%) of transportation sector GHG emissions.[11] In New Jersey, there are approximately 500,000 MHD vehicles registered.[12] This means electrifying the MHD sector, including the vehicles and infrastructure to support them, must be a priority to reduce the state's GHG emissions.

In 2023, there were 204 MHD on-road EV models in the US.[13] This represents an almost eight and one-half percent (8.5%) increase in available models over the previous year.[14] In every class, industry analysts project total cost of ownership parity with diesel or gasoline counterparts will be achieved by 2030 without financial incentives, in many cases by 2025.[15]

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[4] 2019 New Jersey Energy Master Plan: Pathway to 2050 ("EMP"), https://www.nj.gov/emp/docs/pdf/2020_NJBPU_EMP.pdf, 67-68.

[5] N.J.S.A. 48:25-3(b).

[6] L. 2019, c. 362 (N.J.S.A. 48:25-1 et seq.)

[7] Ibid.

[8] N.J.S.A. 48:25-3.

[9] Ibid.

[10] NJDEP, NJ Greenhouse Gas Emissions Inventory Report Years 1990-2021 (2024), https://dep.nj.gov/wp-content/uploads/ghg/2024-ghg-inventory-report.pdf; EMP.

[11] NJDEP, Why are we Doing This?, https://dep.nj.gov/drivegreen/MHD vehicle-why/.

[12] Ibid.

[13] CALSTART, ZETI Data Explorer, https://public.tableau.com/app/profile/yin.qiu6767/viz/ZETIDataExplorer/ZETIDataExplorer.

[14] Ibid.

[15] William & Flora Hewlett Foundation, Zero Emission Road Freight Strategy 2020-2025 17 (2020), https://hewlett.org/wp-content/uploads/2020/04/Hewlett-Zero-Emission-Road-Freight-Strategy-2020-2025.pdf.

These trucks and buses are also major contributors of emissions of nitrogen oxides, particulate matter, and air toxins which are extremely harmful to human health.[16] Low-income neighborhoods and communities of color are more frequently exposed to these harmful pollutants due to their disproportionate proximity to freight corridors, ports, and distribution centers.[17] This means that MHD electrification will not only help the State meet its climate goals, but will help New Jersey's underprivileged communities thrive.

In June 2020, New Jersey joined fifteen (15) other states and jurisdictions in signing a Memorandum of Understanding ("MOU") coordinated by the Northeast States for Coordinated Air Use Management ("NESCAUM") committing to electrify all MHD vehicles sold by 2050.[18] The NESCAUM MOU builds on the success of the existing 2013 multi-state Zero Emissions Vehicles ("ZEV") MOU for light-duty vehicles.[19] Key provisions of the NESCAUM MOU include:

- A commitment by the NESCAUM MOU signatories to work collaboratively through the ZEV Task Force to develop and implement a comprehensive multi-state action plan;
- A goal to make thirty percent (30%) of all MHD vehicle sales be MHD EVs by 2030, and a goal to reach 100% MHD EV sales by 2050;
- A 2025 mid-term review of the interim sales target to respond to unforeseen market developments and make adjustments as needed;[20] and
- A commitment by the 2020 MOU signatories to lead by example by purchasing MHD EVs for Public fleets.[21]

The MOU was followed by a Multi-State MHD Zero-Emission Vehicle Action Plan which included outlines of utility involvement in the sector.[22] To make progress towards all the goals referenced above, the NJDEP adopted an Advanced Clean Trucks Program as part of its comprehensive strategy to reduce GHG emissions and short-lived climate pollutants.[23] This will help New Jersey to achieve its goal set forth in the State's Global Warming Response Act ("GWRA"), L. 2007, c. 112, to reduce emissions by eighty percent (80%) below the State's 2006 baseline by

[16] See Ibid.; Sanjoy Maji et al., Health Risks of Major Air Pollutants, Their Drivers and Mitigation Strategies: A Review, Air, Soil & Water Rsch., Jan. – Dec. 2023, at [pg].

[17] William & Flora Hewlett Foundation, Zero Emission Road Freight Strategy 2020-2025 17 (2020), https://hewlett.org/wp-content/uploads/2020/04/Hewlett-Zero-Emission-Road-Freight-Strategy-2020-2025.pdf.

[18] Multi-State Medium- and Heavy-Duty Zero-Emission Vehicle Memorandum of Understanding (July 2020), https://www.nescaum.org/documents/MHD vehicle-zev-mou-20220329.pdf ("NESCAUM MOU").

[19] See Ibid.

[20] The interim sales targets were based on total cost of ownership parity with fossil-fueled vehicles, product availability, and research California conducted as part of its recently adopted Advanced Clean Trucks rule.

[21] NESCAUM MOU.

[22] Northeast States for Coordinated Air Use Management Zero Emission Vehicle Task Force, Multi-State Medium-and Heavy-Duty Zero-Emission Vehicle Action Plan, (July 2022), https://www.nescaum.org/documents/multi-state-medium-and-heavy-duty-zev-action-plan.pdf

[23] 55 N.J.R. 1773(a) (Aug. 21, 2023).

2050.[24] Pursuant to the Advanced Clean Trucks rule, manufacturers are required to sell zero-emission trucks as an increasing percentage of their annual sales in New Jersey from 2025 through 2035.[25] By 2035, zero-emission truck sales must constitute fifty-five percent (55%) of Class 2b to 3 truck sales, seventy-five percent (75%) of Class 4 through 8 straight truck sales, and forty percent (40%) of truck tractor sales.[26]

In 2020, the Board issued an Order establishing MFRs for light-duty, publicly-accessible EV charging.[27] The utility programs that resulted from those MFRs are increasing access to EV charging in corridor and community locations, workplaces, and multi-unit dwellings ("MUDs"), address obstacles to adoption, and provide valuable data on residential and commercial use. The light-duty MFRs utilized a shared responsibility model that aims to encourage private investment through incentives for the Make Ready from EDCs and from the State for specific uses of chargers.[28]

Since 2021, the Board has provided charger and installation incentives for specific charger uses, pursuant to the EV Act, in order to encourage EV adoption. The Board has modified such incentives over time to adapt to utility-administered incentives.[29] In July 2022, the Board and the NJDEP moved to provide incentives in nearly all use cases for chargers only, as utilities provided incentives for Make-Ready infrastructure.[30] This allows applicants to obtain incentives from both the State and utilities, but still requires a minimum of ten percent (10%) of costs to be covered by the owner-operator of the charging station.[31] Each of the BPU charger incentive programs in Fiscal Year ("FY") 2022, FY 2023, and FY24 have utilized this model.

In 2023, the NJDEP adopted, via incorporation, the Advanced Clean Cars II ("ACC II") regulation recently adopted by the California Air Resources Board.[32] The rule sets credit requirements for auto manufacturers between 2026 and 2035 for light-duty vehicles and requires that

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[24] NJDEP, New Jersey's Global Warming Response Act 80x50 Report: Evaluating Our Progress and Identifying Pathways to Reduce Emissions 80% by 2050 (October 15, 2020), https://dep.nj.gov/wp-content/uploads/climatechange/nj-gwra-80x50-report-2020.pdf ("GRWA 80x50 Report").

[25] N.J.A.C. 7:27-31.4.

[26] Ibid.

[27] In re Straw Proposal on Electric Vehicle Infrastructure Build Out, BPU Docket No. QO20050357, Order establishing MFRs dated September 23, 2020.

[28] The 2019 EMP highlights that EDC involvement under a shared responsibility model provides "significant opportunity for widespread charging deployment across multiple transportation modes and sectors (i.e., residential, multi-family, workplace, fleets, and public DC fast charging), using both rate-based and non-rate-based solutions, and resulting in diminished consumer 'range anxiety' and increased EV adoption rates."

[29] See In re the Clean Energy Programs and Budget for Fiscal Year 2024, BPU Docket No. QO23040236, Order dated June 29, 2023; In re the Clean Energy Programs and Budget for Fiscal Year 2023, BPU Docket No. QO22020113, Order dated June 29, 2022; In re the Clean Energy Programs and Budget for Fiscal Year 2022, BPU Docket No. QO21040720, Order dated June 24, 2021; In re the Clean Energy Programs and Budget for Fiscal Year 2021, BPU Docket No. QO20080539, Order dated September 23, 2020.

[30] In re the Clean Energy Programs and Budget for Fiscal Year 2023, BPU Docket No. QO22020113, Order dated April 12, 2023.

[31] Ibid.

[32] N.J.A.C. 7:27-29A.2 (adopting Cal. Code Regs. tit. 13, § 1962.4 (2022)).

manufacturers generate credits equal to a certain percentage of their vehicle production volume.[33] The auto manufacturers generate credits by directly selling Zero Emission Vehicles ("ZEV") in the applicable state or using one or more of the flexibilities outlined in the rule.[34]

In May 2024, the NJDEP released its "MHD Roadmap," which addressed the requirements set forth in the EV Act directing NJDEP to collaborate with the Board to establish "goals for vehicle electrification and infrastructure development that address MHD on-road diesel vehicles and associated charging infrastructure."[35] The MHD Roadmap provides an overview of New Jersey's MHD vehicle sector and provides a framework for transitioning to ZEVs.[36] The roadmap outlines potential near- and mid-term strategies needed to fully decarbonize New Jersey's MHD Vehicle sector. New strategies include mapping the additional charging demand from MHD Vehicle electrification, establishing a workforce development program, funding new charging technologies, and creating a technical assistance program to help fleets transition ZEVs. New Jersey will also continue and expand upon existing programs aimed at addressing funding gaps for ZEVs and charging infrastructure.[37] The present Order builds on the efforts outlined above, to achieve the goals of the EV Act.

Following proper notice, Board Staff ("Staff") released a straw proposal on June 30, 2021, and held several technical panels and stakeholder meetings to address fleet and MHD EV adoption.[38]

Staff released a second straw proposal on December 22, 2022, and a stakeholder meeting was held on January 17, 2023.[39] In the second iteration, Staff addressed several comments regarding funding for private fleets by expanding incentives to private fleets operating in or serving overburdened municipalities ("OBM"), as well as other comments and changes to market conditions. Staff invited stakeholders to provide written comments on these topics by January 24, 2023.[40]

Staff reviewed and considered all stakeholder comments received in connection with both straw proposals and used stakeholder input to further develop and modify the MHD minimum filing requirements described below. Exhibit 1 contains a comprehensive summary of general stakeholder comments and Staff's responses to comments received on the second straw proposal. Based on Staff's review of recommendations from stakeholders, Staff herein proposes a framework for developing utility programs for charging infrastructure for fleet and MHD EVs.

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[33] Cal. Code Regs. tit. 13, § 1962.4 (2022).

[34] Ibid.

[35] NJDEP, A Roadmap to Zero-Emission Medium- and Heavy-Duty Vehicles in New Jersey (May 2024) https://dep.nj.gov/wp-content/uploads/drivegreen/pdf/mhd-roadmap.pdf ("MHD Roadmap"); N.J.S.A. 48:25-3.

[36] The MHD Vehicle sector, only including vehicles, is a subset of the MHD sector which includes both vehicles and the infrastructure to support them.

[37] MHD Roadmap.

[38] Notice, In re Medium and Heavy Duty Electric Vehicle Charging Ecosystem, BPU Docket No. QO21060946 (June 30, 2021); Notice, In re Medium and Heavy Duty Electric Vehicle Charging Ecosystem, BPU Docket No. QO21060946 (August 5, 2021).

[39] Notice, In re Medium and Heavy Duty Electric Vehicle Charging Ecosystem, BPU Docket No. QO21060946 (December 22, 2022).

[40] Ibid.

STAFF RECOMMENDATIONS

Staff recommends that the Board adopt MHD EV Charging Program MFRs for the EDCs, including the attached definitions, as proposed in Exhibit 2. The attached MFRs seek to address the following components of an MHD EV Charging Plan ("MHD Plan"):

1) Roles and Responsibilities of Utilities and Non-Utilities:

    a) EDCs will be primarily responsible for the wiring and backbone infrastructure necessary to enable a robust number of MHD Make-Ready locations throughout the State. These locations should serve Publicly-Accessible charging depots, Public-serving fleets, and Private Fleet Charging Depots located, or primarily operating, in OBMs and overburdened communities ("OBCs") directly adjacent to federally recognized Freight EV corridors;

    b) Electric Vehicle Supply Equipment ("EVSE") infrastructure companies, site owners, and industries using private capital will be primarily responsible for installing, owning and/or operating, and marketing MHD EVSE to customers; and

    c) The Board will create an EDC industry working group to address concerns regarding appropriate time varying rates, demand charges, and other technical issues, including complicated interconnection, local generation and storage, and potential wholesale market participation.

2) Funding of the MHD EV Ecosystem, which builds on the shared responsibility model as laid out in the Light-Duty EV Ecosystem MFRs:

    a) EDCs will invest in, and earn on, the wiring and backbone infrastructure necessary to prepare MHD Make-Ready locations that (i) are at Publicly-Accessible MHD Charging Depots, (ii) serve government or Public-serving fleets, or (iii) are Private Fleet Charging Depots located in or primarily operating in OBMs or in OBCs directly adjacent to federally recognized Freight EV corridors.

    b) EDCs will have the ability to own and operate EVSE in specified circumstances, as further described below, if adequate installation of charging for MHD vehicles does not occur.

    c) State and Federal incentives may be available to fund chargers that are installed on EDC-funded Make Ready.

3) Technical standards and rate designs that encourage the electrification of MHD vehicles and larger light-duty fleets through:

    a) Implementation of managed charging programs so that MHD charging is incentivized to occur during off-peak periods to maximize availability of existing infrastructure and put downward pressure on distribution rates;

    b) Implementation of demand charge solutions for Publicly-Accessible depot charging;

c) Support for the necessary charging infrastructure, which must be capable of supporting the emerging High-Powered direct current ("DC") Fast Charging standards while maintaining compatibility with existing lower-powered DC chargers; and

d) The development and expansion of MHD EV charging rates that encourage the use of battery storage and the capability to charge and discharge specific EVs at certain locations and times, such that grid flexibility services are possible from the vehicle battery.

4) Funding of the technical and planning assistance necessary to electrify all MHD fleets utilized by government agencies, Public-serving institutions like transportation hubs, airports, and mass-transit providers, Private Fleet Charging Depots, MUDs, and private entities seeking to establish public fast charging sites that exceed 500 kilowatts ("kW").

Staff further recommends that the Board establish an EDC industry working group which will develop standard, transparent, and replicable approaches to current and future incentives, mapping, technical and planning assistance, and other issues related to the EV Ecosystem.

Staff additionally recommends that the Board allow EDCs to file for approval of ownership of public chargers in areas of Last Resort beginning eighteen (18) months after the EDC's program is commenced for public chargers proposed in OBCs and twenty-four (24) months after the EDC's program is commenced for all other areas.

Finally, Staff recommends that, beginning six (6) months after approval of an EDC's MHD Plan, and continuing every September and March thereafter, the EDCs be required to provide to the Board semi-program reports.

DISCUSSION AND FINDINGS

The Board has reviewed the stakeholder comments and Staff's recommendations. The Board **FINDS** that Staff's recommendations will benefit New Jersey's residents, energy users, ratepayers, and electric public utilities and are consistent with the goals of the Clean Energy Act, the 2019 EMP, and the EV Act. Having reviewed the comments received and Staff's recommendations, the Board **FINDS** that Publicly-Accessible MHD EV charging stations and the electrification of Public, Public-serving and Private Fleets will advance the widespread adoption of EVs, particularly MHD EVs. Therefore, the Board **HEREBY APPROVES** Staff's recommendations, with specific directives included below.

The Board **FINDS** that Staff's proposal under the shared responsibility model is reasonably calculated to facilitate the accomplishment of the goals established by the EV Act at a reasonable cost. The shared responsibility model will bring significant investment into MHD EV charging while protecting consumers and ratepayers, facilitating a smooth roll out of EV charging infrastructure. The Board **HEREBY ADOPTS** Staff's recommendations and **ORDERS t**hat any ratepayer-funded Make-Ready work be conditioned on the requirements outlined in this Order, and the attached MFRs.

The Board **HEREBY DIRECTS** all EDCs operating within the state of New Jersey to file an MHD Plan within 120 days of the effective date of this Order, in compliance with the MFRs outlined in Exhibit 2. Any EV proposal referencing MHD EVs or charging currently filed with the Board on or before this Order shall be updated to conform to the minimum filing requirements.

The Board **HEREBY ORDERS** that Publicly-Accessible MHD EV charging stations funded through programs outlined in this Order must be accessible by appointment, subscription, or first-come, first served basis twenty-four (24) hours a day, seven (7) days a week. These Publicly-Accessible MHD charging stations shall be listed on the United States Department of Energy Alternative Fueling Station Locator, which provides all MHD EV users, regardless of make and model, with the ability to charge their vehicles, and allow for network interoperability.

The Board **HEREBY ORDERS** Staff to establish an EV working group. The EV working group shall share information, consider best practices from other jurisdictions, and facilitate necessary stakeholder processes related to the State's EV policies. The EV working group shall also establish committees as needed on targeted areas.

The Board **ORDERS** all EDCs operating within the state of New Jersey to provide the Board with semi-annual program reports on MHD projects funded by State and utility funds. Such reports shall include, but are not limited to:

1) Uptimes for public charging;

2) Status of projects requested;

3) Number and total dollar amount of incentives paid;

4) Number and total dollar amount of incentives in the queue including those paid, those approved for payment, those pending approval,[41] and those awaiting action;[42]

5) Private Fleet electrification status;

    a) Private Fleets shall report total average monthly Internal Combustion Engine ("ICE") miles currently traveled at time of request.

    b) Private Fleets shall report total ICE average monthly miles traveled and total EV average monthly miles traveled for report time frame.

6) An update to the EV Capacity Maps;

7) An update to projection reports required by the MFRs;

8) Status and progress of technical and planning assistance, including but not limited to: staffing levels, number of inquiries, projected loads, number of inquiries that have turned into projects, average load requested, average time to electrification projected, and the implementation of any load-modifying technologies; and

9) Informational updates on the EDC's progress identifying Last Resort locations and preparing any approved Last Resort locations for Make-Ready, including identifying any lease or other arrangements.

[41] Applications that have been submitted and EDC has started processing but has not finalized.

[42] Applications that have been submitted but EDC has not started to process.

Understanding that the electrification of the transportation sector benefits all New Jersey residents, the Board **FINDS** that the EDCs may recover the costs of incentives associated with preparing a site provided that the EDC owns the equipment installed. The Board also **FINDS** that, where a utility is preparing a site to install an EV charger at the request of an unaffiliated EVSE Infrastructure Company, that infrastructure shall be deemed "used and useful," even if the Make Ready is not immediately used. The Board, however, **ORDERS** the utility to show that it was prudent in the manner in which it prepared the site for charger infrastructure.

The Board **FINDS** that ownership and operation of EV charging stations should be driven by the market, and, therefore, EVSE Infrastructure Companies, site owners, and property management companies are the preferred owners and operators of EVSE; however, there are occasional and narrow instances where it is appropriate for the utility to own and operate EV charging stations. The Board **FINDS** Staff's definition of areas of Last Resort to be reasonable and **HEREBY PERMITS** EDCs to own and operate Publicly-Accessible EV charger(s) and EVSE in areas of Last Resort, contingent on Board approval pursuant to this Order. The Board therefore **ORDERS** any EDC seeking to own and operate EV Chargers and EVSE as a "Last Resort" to file a petition with the Board, which will then require a public comment period and subsequent Board approval before any work is conducted.

In granting or denying EDC ownership and operation, the Board may consider, among others, the following factors:

1) Whether the proposed charging site is more than twenty-five (25) miles from another charging station;
2) In OBCs, whether the EDC has had a minimum of eighteen (18) months without expressions of interest from private EVSE owners;[43]
3) In non-OBCs, whether the EDC has had a minimum of twenty-four (24) months without expressions of interest from private EVSE owners;
4) Density of the area; and
5) Any other factors that the EDC determines are relevant to why utility ownership is appropriate.
6) While no one factor is determinative, the Board shall weigh these considerations to ensure that private investment is prioritized over ratepayer investment, where possible.

Upon Board approval, an EDC may begin siting the charger, but must publicly advertise the location and offer private EVSE owners the opportunity to own the charger.

1) The EDC must offer an incentive of at least twenty-five percent (25%) and up to seventy-five percent (75%) of the expected capital cost of the Make Ready for the charging station for an approved Last Resort location to induce private-sector investment.
2) After the EDC application is filed with the Board, but prior to the installation of a charger, a private owner may opt to become the owner/operator of the equipment, under comparable terms and conditions to those that the EDC had negotiated, or may notify the Board that it intends to request a Make Ready in a comparable location such that the utility ownership is obviated.
3) EDCs may not petition the Board for Last Resort locations after December 31, 2030.

[43] In the context of areas of Last Resort, an "expression of interest" means an application for Make-Ready infrastructure within the allotted time period.

In reviewing Staff's recommendations and the comments received, the Board **FINDS** that the MFRs set forth herein represent another significant step forward in the Board's efforts to achieve widespread EV adoption. While these requirements provide the Board with flexibility to review the EV proposals on a case-by-case basis, the Board **HEREBY DETERMINES** that EV MFRs should eventually be codified for broad applicability. Therefore, the Board **HEREBY DIRECTS** Staff to take necessary steps to immediately initiate a rulemaking process to adopt the framework contained herein through administrative rules in order to ensure equity and consistency throughout the State.

The effective date of this Order is October 30, 2024.

DATED: October 23, 2024

BOARD OF PUBLIC UTILITIES
BY:

CHRISTINE GUHL-SADOVY
PRESIDENT

DR. ZENON CHRISTODOLOU
COMMISSIONER

MARIAN ABDOU
COMMISSIONER

MICHAEL BANGE
COMMISSIONER

ATTEST:

SHERRI L. GOLDEN
SECRETARY

I HEREBY CERTIFY that the within document is a true copy of the original in the files of the Board of Public Utilities.

IN THE MATTER OF MEDIUM AND HEAVY DUTY ELECTRIC VEHICLE CHARGING ECOSYSTEM

DOCKET NO. QO21060946

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Exhibit 1

In the Matter of Medium and Heavy Duty Electric Vehicle Charging Ecosystem

Docket No. QO21060946

Summary of Public Comments and Agency Responses

The BPU received thirty-three (33) multi-faceted written comments from thirty-two (32) commenters in connection with the *second* Straw Proposal. Each of the thirty-three (33) comments were separated by topic, summarized, organized by category, and responded to below.

LIST OF COMMENTERS

Atlantic City Electric Company ("ACE")
Alliance for Transportation Electrification ("ATE")
Burns & McDonnell ("B&M")
Bus Association of New Jersey ("BANJ")
Chamber of Commerce Southern New Jersey ("CCSNJ")
ChargePoint
City of Passaic and Passaic County
ChargEVC New Jersey ("ChargEVC-NJ")
Climate Change Mitigation Technologies ("CCMT")
Dailmer Truck North America ("DTNA")
Electric School Bus Initiative ("ESBI")
Ecogy Energy ("EE")
Electrify America ("EA")
Environmental Defense Fund & CALSTART ("EDF & CAL")
Fermata Energy ("FE")
FreeWire Technologies ("FreeWire")
Jersey Central Power & Light Company (JCP&L)
Kirk Frost
Langan Engineering ("LE")
New Jersey Alliance for Action ("NJAA")
New Jersey Division of Rate Counsel ("Rate Counsel")
New Jersey Independent Electrical Contractors ("NJ-IEC")
New Jersey Resources ("NJR")
New York University/Langone ("NYU-L")
Newark Board of Education ("Newark BOE")
Nuuve
Public Service Electric & Gas Company ("PSE&G")
Rockland Electric Company ("RECO")
Somerset County
Various Environmental Groups – Natural Resources Defense Council, NJ Sierra Club, New Jersey League of Conservation Voters, Environment New Jersey, New Jersey Sustainable Business Council, New Jersey Conservation Foundation ("VEGs")
World Resources Institute ("WRI")
Zeem Solutions ("Zeem")

General Comments in Support for the Proposal

1. COMMENT: Passaic City, Newark BOE, EE, and NJAA all provided comments in general support of the programs as outlined.

   RESPONSE: *The Board thanks the commenters for their support.*

Administrative Requirements

2. COMMENT: ACE, B&M, ChargePoint, and JCP&L submitted comments expressing concern that the administrative requirements proposed would hinder adoption. JCP&L encouraged the Board to provide this oversight with respect to project compliance with such non-electric-system-related requirements.

   RESPONSE: *The Board understands that the EDCs must have clear enforcement and reporting requirements, which are laid out in the Order. The Board also acknowledges that many of these are new areas for the EDCs and as such has provided EDCs flexibility in creating enforcement mechanisms, as well as a resource in the workgroups. The Board agrees that reporting requirements are necessary for monitoring the effectiveness of EDC programs and notes that this Order has extensive reporting requirements for both the EDCs and the recipients of EDC funding.*

3. COMMENT: Rate Counsel requested additional details on how reporting of the "displacing existing vehicles" and the "50% of miles travelled" requirements can be enforced once an MHD EV fleet charging depot is in place.

   RESPONSE: *The Board understands that the EDCs must have clear enforcement and reporting requirements, which are laid out in the Order. The Board also acknowledges that many of these are new areas for the EDCs and as such has provided EDCs flexibility in creating enforcement mechanisms, as well as a resource in the workgroups. The Board agrees that reporting requirements are necessary for monitoring the effectiveness of EDC programs and notes that this Order has extensive reporting requirements for both the EDCs and the recipients of EDC funding.*

4. COMMENT: PSE&G recommends that EDCs be permitted flexibility to address the requirements outlined in the proposal and also suggests that the mapping requirements should consider data security.

   RESPONSE: *The Board acknowledges PSE&G's suggestions. The Board acknowledges that many of these requirements, including data security, are new areas for the EDCs and as such has provided EDCs flexibility in creating requirements and enforcement mechanisms to ensure compliance, as well as a resource in the EV workgroups. The Board notes that public EV Capacity Maps are a starting point for any EVSE company, fleet, or potential site host that may be investing in EV Infrastructure. In addition, the EV Working Group was created to assist in developing future standards and requirements, including how to further refine EV Capacity Map requirements.*

5. COMMENT: EDF & CAL were concerned that there were not reporting requirements for the EDCs and customers receiving Make-Ready support. These requirements are necessary for ensuring programs are meeting their goals and are effectively spending ratepayer dollars and cannot be left to the EDCs to set. In addition, comments suggested

the Board direct the EDCs to permit sub-metering to be used for rate or programmatic purposes related to EV charging. Lastly, their comments suggested a need to have requirements for outreach and education to ensure that EDCs were proactively reaching out to fleets in their territory.

RESPONSE: *The Board agrees that reporting requirements are necessary for monitoring the effectiveness of EDC programs and notes that this Order has extensive reporting requirements for both the EDCs and the recipients of EDC funding. The Board further agrees with suggestions regarding the necessity of outreach and education components and notes that such efforts must be targeted to the consumer and be specifically about the incentive programs. The Board recognizes that such programs will be funded through rate payer dollars and therefore should be designed to make sure customers are aware of the incentives they can receive. The Board notes that the EDCs may utilize shareholder dollars to induce new business that might occur as fleets move to electrification, but such efforts should not be funded through rates.*

6. COMMENT: ATE believes the straw does not speak to metrics and expectations around reliability, and ultimately thinks the Board should at least express an expectation about uptime and reliability.

   RESPONSE: *The Board notes that all BPU programs, as well as all State programs for EV charging, are legislatively mandated to meet the federal uptime standards, and such requirement is now reflected in the current Order.*

Publicly Accessible and Public Serving Transportation roles

7. COMMENT: Zeem argues that a depot with shared charging for multiple private fleets should be eligible for the 'public' Make-Ready infrastructure incentives and prioritized above private fleet charging. Zeem makes this argument by highlighting the definition outlined by the BPU: "This charging may or may not be co-located with private MHD vehicle charging, but is open to the public either by appointment, subscription or on a first-come, first-served basis."

   RESPONSE: *The Board notes that public charging is considered as any charging that is available to anyone on a subscription, schedule or first come-first-serve basis; however, charging on a subscription basis that is only available to a finite number of companies is considered private charging as it is not available to everyone. Therefore, many of the chargers Zeem has referred to in its comment would be considered public charging under the existing definition in the Order.*

8. COMMENT: RECO believes that each of the proposed programs must be available to all customers within every service territory in Order to establish a statewide network of charging stations.

   RESPONSE: *The Board recognizes that ratepayer funds should be used first and foremost for investment accessible to all customers, which is why funding priority is provided to Public and Public Serving Transportation. The Order also provides lower incentives to private fleet charging in OBM and OBC adjacent to transportation corridors to reduce pollution in areas that are most affected and to advance equity.*

9. COMMENT: WRI's ESBI highlights that if large private corporations are able to participate in this program, smaller entities may be outcompeted by large fleet operators in program application and implementation processes. As part of their comments, WRI's ESBI included the "Barriers to Adopting Electric Buses" report to provide cautionary tales, which communicate that the transition toward adopting electric buses is plagued with financial, institutional, and technological barriers.

   RESPONSE: *The Board recognizes that supporting small businesses is important and has encouraged EDCs to prioritize Make-Ready funding for small businesses.*

10. COMMENT: NYU-L supports Staff's efforts to broaden the support and incentives available for transitioning private fleets. NYU-L highlights the challenges they have faced in participating in incentive programs offered for transitioning to EV fleets. NYU-L hopes that the "stringent standards" to determine if private fleet charging depots are eligible for Make-Ready incentives will be fair and straightforward to determine compliance.

    RESPONSE: *The Board thanks NYU-L for its comment. The Board works to provide incentives in ways that best serve the public interest and strives to make its programs fair and accessible.*

11. COMMENT: The VEGs believe a strong Order from the Board clearing a path toward school bus EVSE is vital to ensuring New Jersey schools can make the most of federal dollars.

    RESPONSE: *The Board notes that school buses and third-party providers of public transportation are eligible for the highest level of incentive as described in the Order.*

12. COMMENT: BANJ states that the straw imposes operational and budgetary challenges that threaten bus affordability/accessibility, and BANJ is worried about the plan for this program in the context of electric bus purchases. BANJ claims the original and current straw proposals do not include enough financial support for the needed infrastructure to assist the private bus industry with transitioning.

    RESPONSE: *The Board thanks BANJ for its comment and notes that school buses and third-party providers of public transportation are eligible for the highest level of incentive as described in the Order.*

13. COMMENT: ChargEVC-NJ appreciates the expanded definition of "fleet," but reiterates its previous comments stating that there is no basis for the delimitation between public and private fleets, given that private fleets will require advanced utility support to electrify.

    RESPONSE: *The Board notes that there is flexibility as to what is defined as public charging, understanding that MHD charging models may be more than just first come first serve, and those definitions are contained with the Order. The Board also recognizes that ratepayer funds should be used first and foremost for investment accessible to all users, which is why funding priority is provided to Public and Public Serving Transportation. That same prioritization is why the Order contains more stringent guidelines for private fleets, focusing those dollars on OBMs and OBCs along Federal designated Alternative Fuel Freight Corridors.*

14. COMMENT: CCMT supports the modified shared responsibility public-private business model. However, CCMT requests clarification on the extent of the Make-Ready infrastructure that the EDCs are going to provide. CCMT strongly recommends that the EDC Make-Ready infrastructure include all necessary work on both sides of the customer meter and that the EDCs hire the private depot owner's electrical engineers and contractors to do the work.

    RESPONSE: *The Board thanks CCMT for its comment and notes that the extent of the EDC incentives for Make Ready can be found in section III, points 2 and 3 of the MFR. The Board also notes that the Order does not specify or mandate who the EDCs or owner/operators can hire to execute the Make-Ready installation work.*

15. COMMENT: DTNA suggests the Board consider that MHD vehicles are disproportionally located in concentrated urban areas, creating highly localized grid capacity addition needs. DTNA recommends the Board include both a system-wide transportation electrification electricity forecast, and a utility distribution grid capacity requirement forecast as part of the straw.

    RESPONSE: *The Board thanks DTNA for its comment and notes that the Order requires EDCs to create up-to-date Capacity Maps for their territories including all the factors DTNA specifies in its comment.*

16. COMMENT: PSE&G agrees with the inclusion of private fleets in the program to ensure equitability. PSE&G posits that the more stringent conditions that are placed on participation, the more complex/risky participation becomes for potential fleet customers.

    RESPONSE: *The Board notes that there is flexibility as to what is defined as public charging, understanding that MHD charging models may be more than just first come first serve, and those definitions are contained with the Order. The Board further recognizes that ratepayer funds should be used first and foremost for investment accessible to all customers, which is why funding priority is provided to Public and Public-Serving Transportation. That same prioritization is why the Order contains more stringent guidelines for private fleets, focusing those dollars on OBMs and OBCs along Federal designated EV Freight Corridors.*

Cost Cap

17. COMMENT: VEGs believe the Board should examine the $200/kW cap.

    RESPONSE: *The Board has reexamined the $200/kW incentive cap, which has since been replaced with overall incentive budget cost caps based on service area size and the VIO in their territories. This will create caps that are sufficient to drive uptake.*

18. COMMENT: ATE suggests adopting an incentive closer to the 90% levels in New York. ATE also suggests directing the EDCs to develop sliding scales or per-project caps and to convene a stakeholder meeting to assess levels of interest. ATE all believe that the $200/kW incentive is not high enough.

    RESPONSE: *The Board thanks* ATE for *its comment. The Board has directed EDCs to design cost caps based on the average Make-Ready cost. In addition, the $200/kW*

incentive cap has been replaced with overall incentive budget cost caps based on service area size and the VIO in their territories. This will create caps that are sufficient to drive uptake.

19. COMMENT: RECO recommends that the Board review the need to impose a cap after programs have been in operation for a few years when the MHD EV market becomes more self-sustaining. RECO also all recommend eliminating the $200/kW cost cap completely, stating that it will not provide enough funding to make EV conversion economic for many MHD vehicles and fleet operators.

    RESPONSE: *The Order eliminates the $200 per kWh cap, instead requiring the EDCs to provide in their filing the average cost of Make Ready for chargers <50kW, 50kW, 150kW, and 350kW. The EDCs are directed to use this information to establish incentive caps on both the customer side and the utility side. In addition, the overall budget for incentives will be capped based on a calculation utilizing service territory size and the number of MHD EV Vehicles in Operation.*

Funding adjustments and adjustments to incentive caps and subcategories is permissible as outlined in the Order.

20. COMMENT: PSE&G believes that the EDCs should be permitted to propose an approach in their program filings for promoting equity in incentives and that EDC program budgets can ensure overall costs to utility customers. PSE&G recommends eliminating the $200/kW cost cap completely, stating that it will not provide enough funding to make EV conversion economic for many MHD vehicles and fleet operators.

    RESPONSE: The *Order eliminates the $200 per kWh cap, instead requiring the EDCs to provide in their filing the average cost of Make Ready for chargers <50kW, 50kW, 150kW, and 350kW. The EDCs are directed to use this information to establish incentive caps on both the customer side and the utility side. In addition, the overall budget for incentives will be capped based on a calculation utilizing service territory size and the number of MHD EV Vehicles in Operation. Funding adjustments and adjustments to incentive caps and subcategories is permissible as outlined in the Order.*

21. COMMENT: Zeem, B&M and ChargEVC-NJ all recommend eliminating the $200/kW cost cap completely, stating that it will not provide enough funding to make EV conversion economic for many MHD vehicles and fleet operators.

    RESPONSE: *This Order eliminates the $200 per kWh cap, instead requiring the EDCs to provide in their filing the average cost of Make Ready for chargers <50kW, 50kW, 150kW, and 350kW. The EDCs are directed to use this information to establish incentive caps on both the customer side and the utility side. In addition, the overall budget for incentives will be capped based on a calculation utilizing service territory size and the number of MHD EV Vehicles in Operation.*

22. COMMENT: CWRI's ESBI believes that the $200/kW incentive is not high enough.

    RESPONSE: *This Order eliminates the $200 per kWh cap, instead requiring the EDCs to provide in their filing the average cost of Make Ready for chargers <50kW, 50kW, 150kW, and 350kW. The EDCs are directed to use this information to establish incentive caps on both the customer side and the utility side. In addition,*

the overall budget for incentives will be capped based on a calculation utilizing service territory size and the number of MHD EV Vehicles in Operation.

23. COMMENT: Several of the stakeholder comments referenced the utilities' experiences in New York where they witnessed a lackluster uptake associated with a baseline incentive of $367/kW of charger capacity, indicating that the cap was not effective in incentivizing participation and may not be appropriate given project cost variation.

    RESPONSE: *The Board recognizes that $367 per kWh cost cap in New York had low uptake. This Order therefore eliminates the $200 per kWh cap, instead requiring the EDCs to provide in their filing the average cost of Make Ready for chargers <50kW, 50kW, 150kW, and 350kW. The EDCs are directed to use this information to establish incentive caps on both the customer side and the utility side. In addition, the overall budget for incentives will be capped based on a calculation utilizing service territory size and the number of MHD EV Vehicles in Operation. This will create incentive caps that are high enough to effectively incentivize MHD charging.*

24. COMMENT: B&M recommends that, if not eliminating the cap completely, then the Board should increase the cap to $300/kW or more as it isn't high enough. B&M also recommends that the Board allow for adjustment in the future, claiming that 50% coverage typically averages between $300 and $350 per kW equivalent, and also suggests applying a 50% cap to all hard (components and labor) and soft Make Ready.

    RESPONSE: The *Order eliminates the $200 per kWh cap, instead requiring the EDCs to provide in their filing the average cost of Make Ready for chargers <50kW, 50kW, 150kW, and 350kW. The EDCs are directed to use this information to establish incentive caps on both the customer side and the utility side. In addition, the overall budget for incentives will be capped based on a calculation utilizing service territory size and the number of MHD EV Vehicles in Operation. The Board notes that funding adjustments and adjustments to incentive caps and subcategories is permissible as outlined in the Order.*

25. COMMENT: ChargEVC-NJ suggests that the Board follow programming from California's utility Southern California Edison, which provides about 30% of project costs covering Make Ready, charger costs, and administrative support.

    RESPONSE: *The Board thanks ChargEVC-NJ for its comment. The Board notes that this Order allows the EDCs to set appropriate funding caps based on the average Make-Ready costs.*

26. COMMENT: CCMT recommends budgeting $50,000 per charger for installation costs on the customer side of the meter for a 60kW DCFC.

    RESPONSE: *The Board thanks CCMT for its comment. This Order allows the EDCs to set appropriate funding caps based on the average Make-Ready costs and VIO within their territory.*

Overburdened Municipality Designation

27. COMMENT: WRI's ESBI and Passaic County both commend the BPU for delineating the differences between public/private Make-Ready benefits and the proposed restrictions for private fleet charging depots to those that are located or primarily operate in OBMs.

RESPONSE: *The Board thanks WRI's ESBI and Passaic County for their support.*

28. COMMENT: Nuuve disagrees with the proposal's OBM restrictions and is concerned that the definition of OBM is too limiting and will preclude many potential private fleets from receiving program support, causing the programs to fall short of the State's MHD EV goals. Nuuve states that such infrastructure is one of the largest costs associated with installing EV charging facilities and that the limitation could potentially create a barrier to adoption. Nuuve recommends expanding eligibility regardless of location and suggests creating a tiered incentive program providing higher incentives to private fleet depots within OBMs, citing Con Edison's POWERREADY EV Program in NY as an example.

    RESPONSE: *The Board thanks Nuuve for its comment and notes that the BPU is committed to ensuring that ratepayer investment focuses on providing the positive impacts of EV adoption within disadvantaged communities that are proven to disproportionately experience the detrimental impacts of emissions through equitable solutions of distribution throughout the State. The Board also understands the need to expand funding for MHD private fleets operating outside of the definition of OBM's under certain circumstances, in Order to address potential program gaps in critical areas of heavy MHD private fleet use and to meet the State's clean energy goals. To address these concerns, this Order extends funding eligibility beyond OBMs to OBCs directly adjacent to Federally Designated EV Freight Corridors. The Order includes a tiered incentive structure, with 100% EDC Make-Ready funding available to publicly accessible and public serving MHD charging locations, and 50% Make-Ready funding available for private fleet charging depots located in or primarily operating in OBMs that meet the required standards of managed charging programs and that are displacing existing fleet vehicles.*

29. COMMENT: PSE&G disagrees with the proposal's OBM restrictions and is concerned that the definition of OBM is too limiting and will preclude many potential private fleets from receiving program support, causing the programs to fall short of the State's MHD EV goals. PSE&G provides examples of Raritan Center in Edison, exit 8A of the New Jersey Turnpike in Cranbury, and warehouse development in Franklin Township, none of which are considered OBMs, but are known hubs for MHD vehicles and fleets. PSE&G specifically suggests prioritizing OBMs first rather than strictly limiting to them.

    RESPONSE: *The Board is committed to ensuring that ratepayer investment focuses on providing the positive impacts of EV adoption within disadvantaged communities that are proven to disproportionately experience the detrimental impacts of emissions through equitable solutions of distribution throughout the State. The Board understands the need to expand funding for MHD private fleets operating outside of the definition of OBMs under certain circumstances, in order to address potential program gaps in critical areas of MHD private fleet use and to meet the State's clean energy goals. To address these concerns, this Order extends funding eligibility beyond OBMs to OBCs directly adjacent to Federally Designated EV Freight Corridors. The Order includes a tiered incentive structure, with 100% EDC Make-Ready funding available to publicly accessible and public serving MHD charging locations, and 50% Make-Ready funding available for private fleet charging depots located in or primarily operating in OBMs that meet the required standards of managed charging programs and that are displacing existing fleet vehicles.*

30. COMMENT: FE disagrees with the proposal's OBM restrictions and is concerned that the definition of OBM is too limiting and will preclude many potential private fleets from receiving program support, causing the programs to fall short of the State's MHD EV goals.

FE is concerned that essential service providers (i.e., hospitals and private education institutions) would not qualify for utility support unless located in an OBM.

RESPONSE: *The Board is committed to ensuring that ratepayer investment focuses on providing the positive impacts of EV adoption within disadvantaged communities that are proven to disproportionately experience the detrimental impacts of emissions through equitable solutions of distribution throughout the State. The Board understands the need to expand funding for MHD private fleets operating outside of the definition of OBMs under certain circumstances, in order to address potential program gaps in critical areas of heavy MHD private fleet use and to meet the State's clean energy goals. To address these concerns, this Order extends funding eligibility beyond OBMs to OBCs directly adjacent to Federally Designated EV Freight Corridors. The Order includes a tiered incentive structure, with 100% EDC Make-Ready funding available to publicly accessible and public serving MHD charging locations, and 50% Make-Ready funding available for private fleet charging depots located in or primarily operating in OBMs that meet the required standards of managed charging programs and that are displacing existing fleet vehicles.*

31. COMMENT: CCSNJ disagrees with the proposal's OBM restrictions and is concerned that the definition of OBM is too limiting and will preclude many potential private fleets from receiving program support, causing the programs to fall short of the State's MHD EV goals. CCSNJ is concerned that essential service providers (i.e., hospitals and private education institutions) would not qualify for utility support unless located in an OBM. CCSNJ suggests either expanding the definition of OBMs or language added to allow for critical areas outside of OBMs to participate in the program.

    RESPONSE: *The Board is committed to ensuring that ratepayer investment focuses on providing the positive impacts of EV adoption within disadvantaged communities that are proven to disproportionately experience the detrimental impacts of emissions through equitable solutions of distribution throughout the State. The Board understands the need to expand funding for MHD private fleets operating outside of the definition of OBMs under certain circumstances, in order to address potential program gaps in critical areas of heavy MHD private fleet use and to meet the State's clean energy goals. To address these concerns, this Order extends funding eligibility beyond OBMs to OBCs directly adjacent to Federally Designated EV Freight Corridors. The Order includes a tiered incentive structure, with 100% EDC Make-Ready funding available to publicly accessible and public serving MHD charging locations, and 50% Make-Ready funding available for private fleet charging depots located in or primarily operating in OBMs that meet the required standards of managed charging programs and that are displacing existing fleet vehicles.*

32. COMMENT: ChargePoint disagrees with the proposal's OBM restrictions and is concerned that the definition of OBM is too limiting and will preclude many potential private fleets from receiving program support, causing the programs to fall short of the State's MHD EV goals. ChargePoint recommends a minimum of 40% of utility funding should be made available to any private fleet regardless of location and believes that Make Ready should not be limited to private fleets that are only displacing existing fleet vehicles because it ignores the possibility that private fleets may be in the market to expand their fleets in the near term.

    RESPONSE: *The Board is committed to ensuring that ratepayer investment focuses on providing the positive impacts of EV adoption within disadvantaged communities that are proven to disproportionately experience the detrimental impacts of emissions through*

equitable solutions of distribution throughout the State. The Board understands the need to expand funding for MHD private fleets operating outside of the definition of OBMs under certain circumstances, in order to address potential program gaps in critical areas of heavy MHD private fleet use and to meet the State's clean energy goals. To address these concerns, this Order extends funding eligibility beyond OBMs to OBCs directly adjacent to Federally Designated EV Freight Corridors. The Order includes a tiered incentive structure, with 100% EDC Make-Ready funding available to publicly accessible and public serving MHD charging locations, and 50% Make-Ready funding available for private fleet charging depots located in or primarily operating in OBMs that meet the required standards of managed charging programs and that are displacing existing fleet vehicles. In regard to the stringent standards of Make-Ready funding eligibility for private fleet charging depots, the need to ensure that those private fleets are displacing existing fleet vehicles rather than bringing new vehicles to an already overburdened municipality is intended to ensure that emissions are reduced, existing traffic is displaced, and congestion is not increased.

33. COMMENT: VEGs disagrees with the proposal's OBM restrictions and is concerned that the definition of OBM is too limiting and will preclude many potential private fleets from receiving program support, causing the programs to fall short of the State's MHD EV goals. VEGs suggest retaining the OBM definition, but also creating a pathway for EDCs to file programs that would service specific projects located outside of OBMs and address program gaps or allow a larger role for EDC's to expedite the electrification of MHD fleets. VEGs are concerned that the 50% VMT requirement is too restrictive, administratively challenging for fleets to navigate, too complex for EDCs to track and enforce, and will impact Make-Ready funding by discouraging program participation and EDC investment. VEGs urge the Board not to use a bright-line 50% VMT Rule (50% in 3 years within OBMs), requesting clarity on if "fleet" means just the EV or the fleet of EVs operated by an entity, or on the time period used for the calculation, stating that short term VMT assessment may encourage consistent EV operations in OBCs, but also discourage long-term investments if EDC cost recovery has to be frequently evaluated. VEGs also state that VMT may not be a good proxy for pollution impacts in "OBCs" by not focusing enough on displaced emissions from idling and stopping/starting.

    RESPONSE: *The Board is committed to ensuring that ratepayer investment focuses on providing the positive impacts of EV adoption within disadvantaged communities that are proven to disproportionately experience the detrimental impacts of emissions through equitable solutions of distribution throughout the State. The Board understands the need to expand funding for MHD private fleets operating outside of the definition of OBMs under certain circumstances, in order to address potential program gaps in critical areas of heavy MHD private fleet use and to meet the State's clean energy goals. To address these concerns, this Order extends funding eligibility beyond OBMs to OBCs directly adjacent to Federally Designated EV Freight Corridors. The Order includes a tiered incentive structure, with 100% EDC Make-Ready funding available to publicly accessible and public serving MHD charging locations, and 50% Make-Ready funding available for private fleet charging depots located in or primarily operating in OBMs that meet the required standards of managed charging programs and that are displacing existing fleet vehicles.*

    The Board further notes that the 50% VMT requirement is only for those fleets that are not located in an OBM but seek to receive the incentive due to serving the OBM. In this limited instance, the applicant would need to prove that more than half the VMT occurred in an OBM. In addition, the Board notes that the Order encourages EDCs to provide additional

incentives for small businesses. With regard to the stringent standards of Make-Ready funding eligibility for private fleet charging depots, the need to ensure that they are displacing existing fleet vehicles rather than bringing new vehicles to an already overburdened municipality is intended to ensure that emissions are reduced, existing traffic is displaced, and congestion is not increased.

34. COMMENT: ATE disagrees with the proposal's OBM restrictions and is concerned that the definition of OBM is too limiting and will preclude many potential private fleets from receiving program support, causing the programs to fall short of the State's MHD EV goals. ATE believes all OBCs should be eligible and also notes that any community which qualifies under the White House's "Climate and Economic Justice Screening Tool" should be included, and that EDCs, in conjunction with stakeholders and Board Staff, should collaborate in a working group to develop other evaluation and prioritization criteria. ATE is concerned that the 50% VMT requirement is too restrictive, administratively challenging for fleets to navigate, too complex for EDCs to track and enforce, will impact Make-Ready funding by discouraging program participation and will put recipients in a position to turn down business.

    RESPONSE: *The Board is committed to ensuring that ratepayer investment focuses on providing the positive impacts of EV adoption within disadvantaged communities that are proven to disproportionately experience the detrimental impacts of emissions through equitable solutions of distribution throughout the State. The Board understands the need to expand funding for MHD private fleets operating outside of the definition of OBMs under certain circumstances, in order to address potential program gaps in critical areas of heavy MHD private fleet use and to meet the State's clean energy goals. To address these concerns, this Order extends funding eligibility beyond OBMs to OBCs directly adjacent to Federally Designated EV Freight Corridors. The Order includes a tiered incentive structure, with 100% EDC Make-Ready funding available to publicly accessible and public serving MHD charging locations, and 50% Make-Ready funding available for private fleet charging depots located in or primarily operating in OBMs that meet the required standards of managed charging programs and that are displacing existing fleet vehicles.*

    The Board further notes that the 50% VMT requirement is only for those fleets that are not located in an OBM but seek to receive the incentive due to serving the OBM. In this limited instance, the applicant would need to prove that more than half the VMT occurred in an OBM. In addition, the Board notes that the Order encourages EDCs to provide additional incentives for small businesses. In regard to the stringent standards of Make-Ready funding eligibility for private fleet charging depots, the need to ensure that ***private fleet charging depots*** *are displacing existing fleet vehicles rather than bringing new vehicles to an already overburdened municipality is intended to ensure that emissions are reduced, existing traffic is displaced, and congestion is not increased.*

35. COMMENT: RECO disagrees with the proposal's OBM restrictions and is concerned that the definition of OBM is too limiting and will preclude many potential private fleets from receiving program support, causing the programs to fall short of the State's MHD EV goals. RECO specifically suggests prioritizing OBMs first rather than strictly limiting to them.

    RESPONSE: *The Board is committed to ensuring that ratepayer investment focuses on providing the positive impacts of EV adoption within disadvantaged communities that are proven to disproportionately experience the detrimental impacts of emissions through equitable solutions of distribution throughout the State. The Board understands the need*

to expand funding for MHD private fleets operating outside of the definition of OBMs under certain circumstances, in order to address potential program gaps in critical areas of heavy MHD private fleet use and to meet the State's clean energy goals. To address these concerns, this Order extends funding eligibility beyond OBMs to OBCs directly adjacent to Federally Designated EV Freight Corridors. The Order includes a tiered incentive structure, with 100% EDC Make-Ready funding available to publicly accessible and public serving MHD charging locations, and 50% Make-Ready funding available for private fleet charging depots located in or primarily operating in OBMs that meet the required standards of managed charging programs and that are displacing existing fleet vehicles.

36. COMMENT: ChargEVC-NJ disagrees with the proposal's OBM restrictions and is concerned that the definition of OBM is too limiting and will preclude many potential private fleets from receiving program support, causing the programs to fall short of the State's MHD EV goals. ChargEVC-NJ recommends expanding eligibility to all fleets and suggests creating a tiered incentive program providing higher incentives to publicly owned and private fleet depots that operate primarily within OBCs, and lower incentives for private fleets operating elsewhere in the state.

    RESPONSE: *The Board is committed to ensuring that ratepayer investment focuses on providing the positive impacts of EV adoption within disadvantaged communities that are proven to disproportionately experience the detrimental impacts of emissions through equitable solutions of distribution throughout the State. The Board understands the need to expand funding for MHD private fleets operating outside of the definition of OBMs under certain circumstances, in order to address potential program gaps in critical areas of heavy MHD private fleet use and to meet the State's clean energy goals. To address these concerns, this Order extends funding eligibility beyond OBMs to OBCs directly adjacent to Federally Designated EV Freight Corridors. The Order includes a tiered incentive structure, with 100% EDC Make-Ready funding available to publicly accessible and public serving MHD charging locations, and 50% Make-Ready funding available for private fleet charging depots located in or primarily operating in OBMs that meet the required standards of managed charging programs and that are displacing existing fleet vehicles.*

37. COMMENT: EDF & CAL disagree with the proposal's OBM restrictions and are concerned that the definition of OBM is too limiting and will preclude many potential private fleets from receiving program support, causing the programs to fall short of the State's MHD EV goals. EDF & CAL recommend expanding eligibility outside of OBMs and suggest creating a tiered incentive program providing higher incentives to private fleet depots operating within OBMs. EDF & CAL states that creating tiered incentive programs should be paired with simplified definitions of "operating in." EDF & CAL are concerned that the 50% VMT requirement is too restrictive, administratively challenging for fleets to navigate, and too complex for EDCs to track and enforce. EDF & CAL note their concerns that leaving it up to the EDCs to decide may create divergent requirements for different parts of the state, and that a single cutoff point of 50% of VMT creates a stark incentive cliff.

    RESPONSE: *The Board is committed to ensuring that ratepayer investment focuses on providing the positive impacts of EV adoption within disadvantaged communities that are proven to disproportionately experience the detrimental impacts of emissions through equitable solutions of distribution throughout the State. The Board understands the need to expand funding for MHD private fleets operating outside of the definition of OBMs under certain circumstances, in order to address potential program gaps in critical areas of heavy MHD private fleet use and to meet the State's clean energy goals. To address these*

concerns, this Order extends funding eligibility beyond OBMs to OBCs directly adjacent to Federally Designated EV Freight Corridors. The Order includes a tiered incentive structure, with 100% EDC Make-Ready funding available to publicly accessible and public serving MHD charging locations, and 50% Make-Ready funding available for private fleet charging depots located in or primarily operating in OBMs that meet the required standards of managed charging programs and that are displacing existing fleet vehicles.

The Board further notes that the 50% VMT requirement is only for those fleets that are not located in an OBM but seek to receive the incentive due to serving the OBM. In this limited instance, the applicant would need to prove that more than half the VMT occurred in an OBM. With regard to the stringent standards of Make-Ready funding eligibility for private fleet charging depots, the need to ensure that they are displacing existing fleet vehicles rather than bringing new vehicles to an already overburdened municipality is intended to ensure that emissions are reduced, existing traffic is displaced, and congestion is not increased.

38. COMMENT: CCMT recommends that funding be made available to all private fleet depot charging locations. CCMT is concerned that the 50% VMT limitations are onerous and unworkable. CCMT notes its concern for the ongoing expansion and miles traveled of truck fleets in northern NJ in parallel with the expansion of port commerce.

    RESPONSE: *The Board is committed to ensuring that ratepayer investment focuses on providing the positive impacts of EV adoption within disadvantaged communities that are proven to disproportionately experience the detrimental impacts of emissions through equitable solutions of distribution throughout the State. The Board understands the need to expand funding for MHD private fleets operating outside of the definition of OBMs under certain circumstances, in order to address potential program gaps in critical areas of heavy MHD private fleet use and to meet the State's clean energy goals. To address these concerns, this Order extends funding eligibility beyond OBMs to OBCs directly adjacent to Federally Designated EV Freight Corridors. The Order includes a tiered incentive structure, with 100% EDC Make-Ready funding available to publicly accessible and public serving MHD charging locations, and 50% Make-Ready funding available for private fleet charging depots located in or primarily operating in OBMs that meet the required standards of managed charging programs and that are displacing existing fleet vehicles.*

    The Board further notes that the 50% VMT requirement is only for those fleets that are not located in an OBM but seek to receive the incentive due to serving the OBM. In this limited instance, the applicant would need to prove that more than half the VMT occurred in an OBM. In addition, the Board notes that the Order encourages EDCs to provide additional incentives for small businesses. With regard to the stringent standards of Make-Ready funding eligibility for private fleet charging depots, the need to ensure that they are displacing existing fleet vehicles rather than bringing new vehicles to an already overburdened municipality is intended to ensure that emissions are reduced, existing traffic is displaced, and congestion is not increased.

39. COMMENT: B&M disagrees with the proposal's OBM restrictions and is concerned that the definition of OBM is too limiting and will preclude many potential private fleets from receiving program support, causing the programs to fall short of the State's MHD EV goals. B&M suggests either re-examining or expanding the definition of OBMs or the proposal's limitation on funding eligibility to instead include critical areas outside of OBMs, such as

OBCs. B&M suggests that the Board could instead adjust the 50% VMT requirement to be based on either stops and/or operational time.

RESPONSE: *The Board is committed to ensuring that ratepayer investment focuses on providing the positive impacts of EV adoption within disadvantaged communities that are proven to disproportionately experience the detrimental impacts of emissions through equitable solutions of distribution throughout the State. The Board understands the need to expand funding for MHD private fleets operating outside of the definition of OBMs under certain circumstances, in order to address potential program gaps in critical areas of heavy MHD private fleet use and to meet the State's clean energy goals. To address these concerns, this Order extends funding eligibility beyond OBMs to OBCs directly adjacent to Federally Designated EV Freight Corridors. The Order includes a tiered incentive structure, with 100% EDC Make-Ready funding available to publicly accessible and public serving MHD charging locations, and 50% Make-Ready funding available for private fleet charging depots located in or primarily operating in OBMs that meet the required standards of managed charging programs and that are displacing existing fleet vehicles.*

The Board further notes that the 50% VMT requirement is only for those fleets that are not located in an OBM but seek to receive the incentive due to serving the OBM. In this limited instance, the applicant would need to prove that more than half the VMT occurred in an OBM. In addition, the Board notes that the Order encourages EDCs to provide additional incentives for small businesses. With regard to the stringent standards of Make-Ready funding eligibility for private fleet charging depots, the need to ensure that they are displacing existing fleet vehicles rather than bringing new vehicles to an already overburdened municipality is intended to ensure that emissions are reduced, existing traffic is displaced, and congestion is not increased.

40. COMMENT: LE and Somerset County disagree with the proposal's OBM restrictions and are concerned that the definition of OBMs is too limiting and, as a result, will preclude many potential private fleets from receiving program support, causing the programs to fall short of the State's MHD EV goals. LE and Somerset County suggest either re-examining or expanding the definition of OBMs or the proposal's limitation on funding eligibility to instead include critical areas outside of OBMs, such as OBCs, which can create a pathway for EDCs to file programs that would service specific projects located outside of OBMs and address program gaps or allow a larger role for EDCs to expedite the electrification of MHD fleets.

RESPONSE: *The Board is committed to ensuring that ratepayer investment focuses on providing the positive impacts of EV adoption within disadvantaged communities that are proven to disproportionately experience the detrimental impacts of emissions through equitable solutions of distribution throughout the State. The Board understands the need to expand funding for MHD private fleets operating outside of the definition of OBMs under certain circumstances, in order to address potential program gaps in critical areas of heavy MHD private fleet use and to meet the State's clean energy goals. To address these concerns, this Order extends funding eligibility beyond OBMs to OBCs directly adjacent to Federally Designated EV Freight Corridors. The Order includes a tiered incentive structure, with 100% EDC Make-Ready funding available to publicly accessible and public serving MHD charging locations, and 50% Make-Ready funding available for private fleet charging depots located in or primarily operating in OBMs that meet the required standards of managed charging programs and that are displacing existing fleet vehicles.*

41. COMMENT: Zeem is concerned that the 50% VMT requirement is too restrictive, administratively challenging for fleets to navigate, too complex for EDCs to track and enforce, and recommend that this requirement be eliminated.

    RESPONSE: *The Board notes that the 50% VMT requirement is only for those fleets that are not located in an OBM but seek to receive the incentive due to serving the OBM. In this limited instance, the applicant would need to prove that more than half the VMT occurred in an OBM. In addition, the Board notes that the Order encourages EDCs to provide additional incentives for small businesses. With regard to the stringent standards of Make-Ready funding eligibility for private fleet charging depots, the need to ensure that they are displacing existing fleet vehicles rather than bringing new vehicles to an already overburdened municipality is intended to ensure that emissions are reduced, existing traffic is displaced, and congestion is not increased.*

12 Month Timeline

42. COMMENT: B&M, ACE, CCSNJ, ChargEVC-NJ, EDF & CAL, JCP&L, PSE&G, LE, and NJEIC all opposed the twelve-month timeline for EVSE deployment. Comments suggested that current market conditions would make that timeline unrealistic.

    RESPONSE: *Based on the length of time that has passed since the second straw proposal and the resultant changes in market conditions, the Board has extended the timeline for EVSE deployment to within eighteen (18) months with an additional six- (6) month extension.*

EV Working Group

43. COMMENT: ATE, CCMT, Freewire, and PSE&G support the creation of an EV Working Group. Comments suggest that the working group should focus on establishing vehicle-to-grid ("V2G") interconnection protocols, alternatives to demand chargers, clarifying the structure of managed charging and its calculations as well as the expectations for hosting maps, and that all of the recommendations be made publicly available.

    RESPONSE: *The Board thanks the commenters for their support and notes that the Order is technology neutral, and V2G protocols would be better suited to come from NJBPU's Grid Modernization Team. The Order envisions that the working groups will help develop standardized approaches to current and future incentives, mapping, technical planning, and other issues that are related to the EV ecosystem.*

Managed Charging Programs

44. COMMENT: FreeWire, Nuuve, Rate Counsel, and WRI's ESBI agree with the Board's restriction on Make-Ready incentives for private fleet charging depots to those that agree to participate in a managed charging system. FreeWire feels the Board should extend the requirement to public fleet charging, stating that commercial managed charging should be developed and evaluated alongside any demand charge relief alternatives, citing a recent adoption by the NY Public Service Commission.

    RESPONSE: *The Board recognizes that different use cases will have different needs and, therefore, the Order directs the EDCs to encourage managed charging for all fleets, but*

only requires the same for private fleets seeking funding. This Order calls for the EDCs to propose the managed charging rate and mechanism, which may include time of use rates or other mechanisms to encourage off-peak charging.

45. COMMENT: NYU-L would like to see that the managed charging program is accessible, cost-effective for operators, and flexible to respond over time to grid changes, stating that the renewable energy transition will create changes in charging patterns with increased adoption.

    RESPONSE: *The Board thanks NYU-L for its comment and notes that the Order allows EDCs to adopt programs that accommodate co-location of MHD vehicle charging with energy storage devices, renewables, or other DERs. The Board further notes that the current Order reduces the managed charging requirement to "a significant percentage," defined as 25-90%. In addition, the Board understands that different use cases will have different needs, which is why the proposal asks EDCs to encourage managed charging for all fleets but only require it for those private fleets seeking funding. Lastly, this Order calls for the EDCs to propose the managed charging rate and mechanism, which may include time of use rates or other mechanisms to encourage off-peak charging.*

46. COMMENT: VEGs recommend softening the managed charging requirements due to the punitive nature of their enforcement mechanisms, stating concerns that the limitations/restrictions are too stringent to incentivize participation by customers who may fear business or operation changes could disqualify them and incur financial penalties or disconnects.

    RESPONSE: *The Board* notes that the *Order reduces the managed charging requirement to "a significant percentage," defined as 25-90%. In addition, the Board understands that different use cases will have different needs, which is why the proposal asks EDCs to encourage managed charging for all fleets but only require it for those private fleets seeking funding. Lastly, this Order calls for the EDCs to propose the managed charging rate and mechanism, which may include time of use rates or other mechanisms to encourage off-peak charging.*

47. COMMENT: PSE&G, B&M, EA, Zeem, and ChargePoint recommend eliminating managed charging requirements, stating that these requirements and potential penalties for on-peak demand are too stringent for MHD EV use and are onerous for both utilities to implement and fleets to integrate. These stakeholders are additionally concerned about how managed charging would be implemented/managed, what level of control/monitoring would be required, and how the utility enforcement requirement will work.

    RESPONSE: *The Board recognizes that different use cases will have different needs and, therefore, the Order directs the EDCs to encourage managed charging for all fleets, but only require it for private fleets seeking funding. This Order calls for the EDCs to propose the managed charging rate and mechanism, which may include time of use rates or other mechanisms to encourage off-peak charging.*

48. COMMENT: PSE&G disagrees that requiring a certain percentage of managed charging for private fleets relates directly to downward pressure on EDC electricity rates, stating that California rates are not comparable to New Jersey rates. PSE&G agrees that managed charging should be encouraged but recommends that it be tracked via collection of EV charging data. PSE&G additionally feels that the prescriptive measure structure of

managed charging and its calculation needs clarification and would benefit from working groups. Finally, PSE&G states that appropriate rate design, the availability of time-of-use rates, and the retention of demand charges provide sufficient incentives for businesses to charge off-peak.

RESPONSE: *The Board recognizes that different use cases will have different needs and, therefore, the Order directs the EDCs to encourage managed charging for all fleets, but only require it for private fleets seeking funding. This Order calls for the EDCs to propose the managed charging rate and mechanism, which may include time of use rates or other mechanisms to encourage off-peak charging. Furthermore, the current Order reduces the managed charging requirement to "a significant percentage," defined as 25-90%. The Board understands that different use cases will have different needs, which is why the proposal asks EDCs to encourage managed charging for all fleets but only require it for those private fleets seeking funding. This Order calls for the EDCs to propose the managed charging rate and mechanism, which may include time of use rates or other mechanisms to encourage off-peak charging.*

49. COMMENT: EA notes that transit requiring on-the-go charging will not be able to respond to a managed charging requirement, referencing their "Green City" project in Los Angeles and a recent Order from the New York State Public Service Commission that explained how DCFCs cannot be expected to manage their charging, and recommends demonstrating inelastic charging needs if not removing the requirement.

    RESPONSE: *The Board understands that different use cases will have different needs, which is why the proposal asks EDCs to encourage managed charging for all fleets but only require it for those private fleets seeking funding. This Order calls for the EDCs to propose the managed charging rate and mechanism, which may include time of use rates or other mechanisms to encourage off-peak charging.*

50. COMMENT: B&M recommends ensuring managed charging is included in the 50% of make-ready funding, noting that it has seen nearly all fleets choose to integrate these systems on their own.

    RESPONSE: *The Board thanks B&M for its comment and notes that this Order calls for the EDCs to propose the managed charging rate and mechanism. EDCs may provide an incentive equal to the amount of the Make-Ready incentive, up to 75%, for a load modifying or non-wire solution that reduces the time to electrification by half.*

51. COMMENT: ATE points out that there are different types/degrees of managed charging (passive or active) that the Board should consider that the proposal does not currently specify implementation and urges the Board to allow EDCs to develop a framework that makes the most sense for them and signal to EDCs that flexibility is the most successful approach.

    RESPONSE: *The Board recognizes that different use cases will have different needs and, therefore, the Order directs the EDCs to encourage managed charging for all fleets, but only require it for private fleets seeking funding. This Order calls for the EDCs to propose the managed charging rate and mechanism, which may include time of use rates or other mechanisms to encourage off-peak charging.*

52. COMMENT: EDF & CAL, ChargePoint, and ChargEVC-NJ are concerned that the 90% rule will be unattainable for certain fleets and will limit program participation. EDF & CAL feel that a more targeted proposal would better balance the feasibility of implementation with grid and ratepayer impacts. EDF & CAL and ChargePoint encourage adoption of option Time-of-Use Rates as well as providing education resources to fleets. ChargEVC-NJ recommends that incentives prioritize critical peak periods (e.g., within a four-hour window), and that instead of a 90% requirement, Make-Ready programs should offer rebates for on-site energy storage, energy storage integrated directly into charging equipment, and advanced load management technologies and software. RECO believes that the proposal's recommendation that the EDC alter its current method for studying the impact of a new service/new load on the grid when a charger participates in a managed charging program is inappropriate because there is no guarantee that usage will be limited to beneficial hours set forth in the program.

    RESPONSE: *The Board understands the concern that the 90% managed charging requirement is too large a burden for many MHD use cases, and the current Order reduces this requirement to "a significant percentage," defined as 25-90%. In addition, the Board understands that different use cases will have different needs, which is why the proposal asks EDCs to encourage managed charging for all fleets but only require it for those private fleets seeking funding. Lastly, this Order calls for the EDCs to propose the managed charging rate and mechanism, which may include time of use rates or other mechanisms to encourage off-peak charging.*

Technical Planning Assistance

53. COMMENT: Rate Counsel supports the technical planning services required in the proposal. Additionally, Rate Counsel indicated that it is pleased with the technical support role for EDCs in support of high-voltage charging sites (exceeding 500kW).

    RESPONSE: *The Board thanks Rate Counsel for its support of this new and important component of the EV Ecosystem.*

54. COMMENT: RECO supports the technical planning services required in the proposal. RECO notes that the EDCs are well positioned to offer technical planning services, and that successful fleet electrification requires a holistic approach that includes EV selection, charger location, and charging cost management, in Order to meet a fleet owner's specific business needs. RECO states that once an application is submitted, the project should go through the same new service business review applicable to any other new service request.

    RESPONSE: *The Board thanks RECO for its support of this new and important component of the EV Ecosystem. The Board recognizes that EDCs are able to provide fleets with technical assistance and therefore the Order requires EDCs to spearhead technical assistance efforts.*

55. COMMENT: ATE supports the technical planning services required in the proposal. ATE suggests that the Board allow EDCs to develop internal capabilities such as studying commercial/industrial areas likely to attract MHD vehicles. This should be followed by developing load forecasts based on low, medium, and high electrification scenarios. ATE believes EDCs are best positioned to advise on attributes of specific locations.

RESPONSE: *The Board thanks ATE for its support of this new and important component of the EV Ecosystem and notes that load forecasting is already part of the EDC's responsibilities to project capital investments.*

56. COMMENT: BANJ suggests that "only" allowing EDCs to provide technical assistance will not provide enough financial support to assist the private bus industry with the transition to clean transportation.

    RESPONSE: *The Board notes that the Order requires EDCs to provide technical assistance, a novel and important proposal. Nothing in this Order prohibits other entities from providing assistance or financial support for private bus electrification. The Board further emphasizes that these technical planning services are open to all fleets as well as other charging uses and are complements to incentives for all Public and Public Serving Transportation. Additionally, as addressed in the Order, private bus services that are third party providers of public transportation (NJ Transit, school bus, etc.) fall under the Public Serving Transportation bucket.*

57. COMMENT: ChargePoint sees the value in technical assistance, but also encourages the Board to modify straw language to include: "any fleet advisory services offered by the EDCs should come from collaboration and consultation from private market providers." This would allow fleet advisory services to leverage charging industry expertise. ChargePoint cautions that blurring the lines between a utility offering necessary assistance and offering input on site design could negatively affect charging market. EDC fleet advisory services should be required to be vendor neutral.

    RESPONSE: *The Board thanks ChargePoint for its feedback, and notes that nothing in this Order regulates private industry or prohibits services offered by the private industry.*

58. COMMENT: Regarding EDF & CAL supports the technical planning services required in the proposal. EDC technical support, EDF & CAL recommend clarifying that the EDCs filings must include advisory services that cover: discussion of commercially available EV models and chargers that meet the fleet's operating needs; analysis of DERs including storage, solar, and automated load management as tools for reducing grid impact and ensuring resiliency, rate analysis that estimates expecting charging costs and the potential of managed charging to mitigate these costs, and proactive efforts to avoid interconnection delays before they arise. EDF & CAL also note that the EDCs should be proactively identifying and contacting fleets in their service territories to discuss their electrification plans, including the timing and location of this transition. The technical support role of EDCs would make this more feasible.

    RESPONSE: *The Board notes that the Order includes a detailed description of the considerations outlined above and also notes that these are the minimum requirements, as EDCs may propose additional considerations in their filings and also adjust to add new market considerations as the market matures. The Board further notes that the outreach and education component of the MFRs allow EDCs to provide information about available services and incentives. However, ratepayer funds should not be utilized for EDCs to solicit new business.*

59. COMMENT: Regarding EDC technical assistance, FE recommends the EDCs include insight into technologies that can manage the cost of fleet electrification for their fleet

customers to minimize operating costs of their charging depots. FE recommends a broader definition of locations that could qualify for technical and planning support

RESPONSE: *The Board* notes *that the Order contains a detailed description of the considerations above, including funding of the technical and planning assistance necessary to electrify all MHD fleets utilized by government agencies, public-serving institutions like transportation hubs, airports, mass-transit providers, Private Fleet Charging Depots, multi-unit dwellings ("MUDs"), and private entities seeking to establish public fast charging sites that exceed 500 kilowatts. The Board further notes that the Order outlines in detail that such assistance should include guidance on assessing capacity for EV charging, proper siting of charging locations, scalability and whether future expansion can be accommodated. The Board reiterates that these are the minimum requirements, and that EDCs may propose additional considerations in their filings and also adjust to add new market considerations as the market matures. Finally, the Board notes that the outreach and education component allows EDCs to provide information about available services and incentives.*

Mapping

60. COMMENT: RECO supports the proposal's recommendation that private investors be responsible for locating sites using EDC hosting capacity maps and the investor's own research/analysis, stating that RECO publishes such maps indicating amount of available EV charger deployment capacity on a given circuit.

    RESPONSE: The Board thanks RECO for its support of the Order's requirement that EDCs include up-to-date and publicly available EV Capacity Maps for their respective service territories.

61. COMMENT: PSE&G recommends that expectations for hosting maps be addressed and clarified in working groups. PSE&G requests clarity on 1) what capacity levels are intended to be shown, 2) the complexity/challenges with development of mapping based on facility design, 3) the specifics of data to be shown, and 4) how relevant and accurate it is. PSE&G asserts that mapping requirements should consider infrastructure security concerns.

    RESPONSE: The Board acknowledges PSE&G's suggestions and notes that this Order directs EDCs to collaborate in an EV Working Group to further refine EV Capacity Map requirements.

62. COMMENT: EDF & CAL states that Make-Ready maps bear no particular relation to where electrification needs to be focused for air quality relief. Information about where people could most easily site their charging infrastructure in the near term does not constitute planning the utility system for the long-term.

    RESPONSE: The Board notes that this Order directs EDCs to collaborate in an EV Working Group to further refine EV Capacity Map requirements.

63. COMMENT: FreeWire encourages the Board to consider directing the development of a standardized methodology through which potential site hosts could evaluate and compare traditional Make-Ready and projects that utilize load management strategies. FreeWire

contends that one way to do this would be in the context of developing hosting capacity maps. FreeWire noted the absence of a definition for load management technologies.

RESPONSE: *The Board notes that this Order directs EDCs to collaborate in an EV Working Group to further refine EV Capacity Map requirements. The Board further notes that the Order contains a definition of load modifying technologies.*

64. COMMENT: Rate Counsel supports the role of EDCs in developing hosting maps, but utilities should be directed to clarify how they will prioritize MHD charging proposals based on adherence to their charging maps, and how developers will be incentivized to invest in the identified locations.

RESPONSE*: The Board thanks Rate Counsel for its support of the EV Capacity Map requirements. The Board notes that, while the market and freight routes will drive locations, the EV Capacity Maps shall offer prioritization based on reduced costs and faster building times.*

Demand Charges

65. COMMENT: Rate Counsel argues that no demand charge relief should be offered for charging loads that take place during on-peak hours, or for any owner or operator of electric vehicle servicing equipment that fails to meet the other required commitments.

RESPONSE: *The Board appreciates that there are many potential solutions to the effect of demand charges and recognizes that appropriate solutions may vary based on EDC territory. With this understanding in mind, the Order directs the EDCs to propose solutions within their filings, and to propose necessary updates to those solutions during subsequent rate cases. The Board notes that demand charge solutions are required for publicly accessible charging uses, not for fleet uses. Additionally, the Order directs the EDCs to address demand charges as part of the working group.*

66. COMMENT: Zeem encourages the establishment of a long-term dedicated commitment of funding (including demand charge reductions and other incentives) that will support MHD charging infrastructure.

RESPONSE: The Board appreciates that there are many potential solutions to the effect of demand charges and recognizes that appropriate solutions may vary based on EDC territory. With this understanding in mind, the Order directs the EDCs to propose solutions within their filings, and to propose necessary updates to those solutions during subsequent rate cases. Additionally, the Order directs the EDCs to address demand charges as part of the working group.

67. COMMENT: The VEGs comment that the demand charge rebate proposed is insufficient and implore the Board to implement long-term solutions, stating that in the early stages of MHD charging, rates developed to reflect the unique characteristics/costs of EV charging rather than forcing stations to take service on commercial and industrial rates is critical. In their comments, the VEGs recommend cited a recent NARUC whitepaper with recent utility MHD charging Orders, containing examples of rate solutions which replace demand charges with smaller, more predictable subscription fees, for Staff to review as an alternative that the Board look closely at several recent utility MHD charging Orders discussed in a recent NARUC whitepaper that characterizes several examples of recently

adopted rate solutions which forgo demand charges and replace them with smaller, more predictable subscription fees.

RESPONSE: *The Board appreciates that there are many potential solutions to the effect of demand charges and recognizes that appropriate solutions may vary based on EDC territory. With this understanding in mind, the Order directs the EDCs to propose solutions within their filings, and to propose necessary updates to those solutions during subsequent rate cases. Additionally, the Order directs the EDCs to address demand charges as part of the working group.*

68. COMMENT: ATE encourages the Board to consider more than one approach (i.e. short-term mitigation of demand chargers, cost-based rates without demand charges, rates with embedded demand chargers, and targeted incentives that vary with site utilization) while recognizing that each EDC/company's service territory is unique, as represented in the Massachusetts' Department of Public Utilities' demand charge structure shared.

RESPONSE: *The Board appreciates that there are many potential solutions to the effect of demand charges and recognizes that appropriate solutions may vary based on EDC territory. With this understanding in mind, the Order directs the EDCs to propose solutions within their filings, and to propose necessary updates to those solutions during subsequent rate cases. Additionally, the Order directs the EDCs to address demand charges as part of the working group.*

69. COMMENT: EA urges the Board to address the obstacle of high and burdensome capacity chargers and demand charges. EA applauds the Boards interest/commitment in providing demand charge reform to encourage deployment of EV infrastructure for MHD vehicles. EA supports the Board's proposal to implement a "set point" to mitigate demand charges associated with EV charging. Demand charge reform intended to encourage deployment of EV infrastructure should allow station operators to have sufficient margin to recoup capital/operating costs. With regards to feedback on achieving demand charge reductions, EA provided six suggestions from other jurisdictions (i.e., fully volumetric rate, low load factor rate variants, demand limiter, unit costs limiters, reduced demand charges, and hour of use tiered charges). In addition, EA believes that providing discretion to the EDCs to implement demand charge reform through waivers or program extensions would be ill-advised where the EDCs may not be sufficiently incentivized to encourage the private market of EV charging stations. EA believes waivers introduce significant uncertainty to market participants. EA believes that any demand charge reforms implemented by EDCS should be accompanied by demand charge reform in the BGS proceeding. EA feels that the suggestion that "adoption of on-peak demand charges […]" has the potential to hinder the economic viability of publicly accessible MHD EV charging business model if these on-peak demand charges are set at levels greater than a few dollars/KW.

RESPONSE: *The Board appreciates that there are many potential solutions to the effect of demand charges and recognizes that appropriate solutions may vary based on EDC territory. With this understanding in mind, the Order directs the EDCs to propose solutions within their filings, and to propose necessary updates to those solutions during subsequent rate cases. Additionally, the Order directs the EDCs to address demand charges as part of the working group.*

70. COMMENT: FE recommends the Board consider pathways for preservation of demand charges. In addition, FE recommends a public charger discount on demand charges,

which could take the form of a bill credit. Lastly, FE recommends a location-based demand charge in addition to on-peak demand charges, to ensure rapid recovery of Make-Ready infrastructure funded by ratepayers.

RESPONSE: *The Board appreciates that there are many potential solutions to the effect of demand charges and recognizes that appropriate solutions may vary based on EDC territory. With this understanding in mind, the Order directs the EDCs to propose solutions within their filings, and to propose necessary updates to those solutions during subsequent rate cases. Additionally, the Order directs the EDCs to address demand charges as part of the working group.*

71. COMMENT: FreeWire appreciates Board's considerations around demand charges being an obstacle to rapid EV charging deployment. However, FreeWire urges the Board to consider the market signals that demand charges provide, such as incentivizing site hosts to invest in load management solutions. FreeWire contends that eliminating or subsidizing demand charges without implementing ways to encourage load management technologies could lead to inefficient build out and could negatively impact reliability and cost for ratepayers. FreeWire also supports on-peak demand charges. With regard to longer-term options to address demand charges, FreeWire recommends that EDCs perform a Cost-of-Service Study to assess trade-offs. FreeWire also supports the working group to consider alternatives to demand charges.

    RESPONSE: *The Board appreciates that there are many potential solutions to the effect of demand charges and recognizes that appropriate solutions may vary based on EDC territory. With this understanding in mind, the Order directs the EDCs to propose solutions within their filings, and to propose necessary updates to those solutions during subsequent rate cases. Additionally, the Order directs the EDCs to address demand charges as part of the working group.*

72. COMMENT: JCP&L believes that demand charges are a vital part of EDC ratemaking, but JCP&L does understand and appreciates the potential need to mitigate demand charges based on lack of control the station owner has. However, many use cases for MHD charging do not lack control over charger usage – many are "behind the gate" charging. JCP&L argues that these circumstances should not be eligible for demand charge credits and that EDC customers should not be required to subsidize the costs of EVSE owners' unwillingness to appropriately plan and manage charging within their control. JCP&L supports the use of time-limited utilization-based demand charge credits.

    RESPONSE: *The board appreciates that there are many potential solutions to the effect of demand charges and recognizes that appropriate solutions may vary based on EDC territory. With this understanding in mind, the Order directs the EDCs to propose solutions within their filings, and to propose necessary updates to those solutions during subsequent rate cases. Additionally, the Order directs the EDCs to address demand charges as part of the working group.*

Storage and EVs

73. COMMENT: PSE&G believes the exclusion of storage incentives in the framework should be reconsidered/amended, stating that storage solutions can be used to levelize peaks, reduce the need for off-peak charging, and that EDCs should have the option to include

incentives for customer-side storage and deployment of utility-scale storage in their proposals.

RESPONSE: *The Board recognizes the need to consider storage as part of the MHD EV Ecosystem as well as for consistent storage policies, and notes that the Order allows EDCs to adopt programs that accommodate co-location of MHD vehicle charging with energy storage devices, renewables, or other DERs. The Board further notes that many of the questions and concerns identified in these comments, including those regarding use of energy storage to levelized peaks, will be addressed as part of the ongoing New Jersey Energy Storage Incentive Program ("NJ SIP") proceedings. The NJ SIP Straw Proposal (Docket Number Q22080540), released by the Board on September 29, 2022, proposes to create energy storage program incentives for stand-alone energy storage devices which are physically connected to EDCs. Additionally, the Board notes that EDCs may provide an incentive equal to the amount of the Make-Ready incentive, up to 75%, for a load modifying or non-wire solution that reduces the time to* electrification by half.

74. COMMENT: FreeWire and ChargEVC-NJ are concerned about how the NJ SIP would harmonize with and complement EVSE development under utility programs, and that NJ SIP or similar programs may not be approved or funded at a level where it sends an equivalent market signal that allows for parity with traditional DCFC. FreeWire suggests the Board direct implementation of MHD Make-Ready programs in a manner that will ensure the funding provided for load management solutions can complement the proposed storage program.

RESPONSE: *The Board recognizes the need to consider storage as part of the MHD EV Ecosystem as well as for consistent storage policies, and notes that the current Order allows EDCs to adopt programs that accommodate co-location of MHD vehicle charging with energy storage devices, renewables, or other DERs. The Board further notes that many of the questions and concerns identified in these comments, including those regarding load management, will be addressed as part of the ongoing NJ SIP proceedings. The NJ SIP Straw Proposal (Docket Number Q22080540), released by the Board on September 29, 2022, proposes to create energy storage program incentives for stand-alone energy storage devices which are physically connected to EDCs.*

75. COMMENT: RECO, FE, and JCP&L recommend that EDCs be allowed to own energy storage assets to take advantage of their expertise in operating their grid. FE specifically suggests enabling EDCs to own/operate technology (software to automate charging and or discharging of the EVs, stationary storage, and bidirectional chargers) to enhance the integration of MHD charging depots to the grid, enabling EDC options to develop/own or develop/sell or transfer ownership of these depots to private investors, that EDCs could negotiate services from the charging depot's stationary storage and bidirectional EVs, and that EDCs can own or provide Make-Ready funding for behind-the-meter energy storage, bidirectional charging technology, and automated load management solutions. JCP&L encourages the Board to clarify that EDC ownership/operation of energy storage devices is permissible when such devices are being used as a distribution asset, for instance, where storage is being used to support efficient EV charging.

RESPONSE: *The Board recognizes the need to consider storage as part of the MHD EV Ecosystem as well as for consistent storage policies, and notes that the Order allows EDCs to adopt programs that accommodate co-location of MHD vehicle charging with energy storage devices, renewables, or other DERs. The Board further notes that many*

of the questions and concerns identified in these comments, including those regarding ownership and operation, will be addressed as part of the ongoing NJ SIP proceedings. The NJ SIP Straw Proposal (Docket Number Q22080540), released by the Board on September 29, 2022, proposes to create energy storage program incentives for stand-alone energy storage devices which are physically connected to EDCs.

76. COMMENT: FreeWire supports the proposal to develop and expand MHD charging rates that encourage the use of battery storage and ability to charge/discharge specific EVs at certain locations/times.

    RESPONSE: *The Board recognizes the need to consider storage as part of the MHD EV Ecosystem as well as for consistent storage policies, and notes that the Order allows EDCs to adopt programs that accommodate co-location of MHD vehicle charging with energy storage devices, renewables, or other DERs. The Board further notes that many of the questions and concerns identified in these comments, including those regarding rate analysis of EV chargers co-located with energy storage, will be addressed as part of the ongoing NJ SIP proceedings. The NJ SIP Straw Proposal (Docket Number Q22080540), released by the Board on September 29, 2022, proposes to create energy storage program incentives for stand-alone energy storage devices which are physically connected to EDCs.*

77. COMMENT: RECO opposes the proposal that EV chargers co-located with energy storage should be analyzed based on their net load and recommends analyzing based on the sum of the loads of the assets to capture the potential maximum load at the site, stating it is critical to grid reliability, assigning appropriate rate classification, and avoiding improper cross-subsidization.

    RESPONSE: *The Board recognizes the need to consider storage as part of the MHD EV Ecosystem as well as for consistent storage policies, and notes that the Order allows EDCs to adopt programs that accommodate co-location of MHD vehicle charging with energy storage devices, renewables, or other DERs. The Board further notes that many of the questions and concerns identified in these comments, including those regarding rate analysis of EV chargers co-located with energy storage, will be addressed as part of the ongoing NJ SIP proceedings. The NJ SIP Straw Proposal (Docket Number Q22080540), released by the Board on September 29, 2022, proposes to create energy storage program incentives for stand-alone energy storage devices which are physically connected to EDCs.*

78. COMMENT: EDF & CAL recommend clarifying that the EDCs' filings in regard to technical support must include advisory services that cover the analysis of DERs including storage.

    RESPONSE: *The Board recognizes the need to consider storage as part of the MHD EV Ecosystem as well as for consistent storage policies, and notes that the current Order allows EDCs to adopt programs that accommodate co-location of MHD vehicle charging with energy storage devices, renewables, or other DERs. The Board additionally notes that the Order directs the EDCs to develop technical and planning assistance which may incorporate accommodation of load management solutions to reduce grid impact and ensure resiliency. Additionally, the Board notes that EDCs may provide an incentive equal to the amount of the Make-Ready incentive, up to 75%, for a load modifying or non-wire solution that reduces the time to electrification by half.*

79. COMMENT: Nuuve and VEGs stress the importance of enhanced funding for V2G technology, bidirectional charging, and compensation mechanisms for V2G exports that can serve as a hedge against supply chain constraints, and other factors that impact deployment, to increasing grid flexibility/resiliency, applying downward pressure on costs by balancing supply and demand, reducing cost of ownership, displacing the need for stationary storage resources/raw materials for manufacturing, and emphasized that MHD EV fleets are well-suited for V2G technology, especially school bus fleets. VEGs believe the BPU should provide additional clarity and guidance in regards to V2G (citing examples of the Maryland Climate Solutions Now Act and Dominion Energy's V2G program in VA), stating the importance of adding similar language to the proposal authorizing school districts and EDCs to create specific structures to utilize V2G potential (regarding locational, health, and economic benefits on low-income and minority communities). Nuuve points out that the few existing mechanisms of utility compensation for grid exports from stationary storage and V2G fall under demand response programs that do not provide incentives to export power and leave additional capacity sitting idle, and that distribution utility Make-Ready configurations for EV charging infrastructure often requires separate service panels with dedicated meters and no other loads/resources allowed on the new connection, and encourages the BPU to not put in place these limiting requirements, citing examples of new DR programs that offer dynamic rates designed to accommodate V2G exports in CA, MA, and NY.

    RESPONSE: *The Board recognizes the need to consider storage as part of the MHD EV Ecosystem as well as for consistent storage policies, and notes that the current Order allows EDCs to adopt programs that accommodate co-location of MHD vehicle charging with energy storage devices, renewables, or other DERs. The Board further notes that many of the questions and concerns identified in these comments, including those regarding rate analysis of EV chargers co-located with energy storage, will be addressed as part of the ongoing NJ SIP proceedings. The NJ SIP Straw Proposal (Docket Number Q22080540), released by the Board on September 29, 2022, proposes to create energy storage program incentives for stand-alone energy storage devices which are physically connected to EDCs.*

    The Board further understands the importance of V2G technology in achieving the State's energy storage goals and notes that the Order allows EDCs to provide an additional incentive to upgrade Make-Ready to include interconnection for future Vehicle-to-Everything ("V2X"), up to 50% of the incremental costs. Additionally, EDCs may provide an incentive equal to the amount of the Make-Ready incentive, up to 75%, for a load modifying or non-wire solution that reduces the time to electrification by half.

Flexibility in Program Design

80. COMMENT: EA is concerned that MHD vehicle charging does not provide enough flexibility to support the private market for EV charging stations and may result in the unintended outcome of many EDC-owned and operated "Last Resort" charging stations.

    RESPONSE: The Board thanks EA for its comment. It is the Board's position that this Order provides the EDCs with the flexibility necessary to create programs that meet the standards outlined in the second straw proposal and reflected in the Order, and which limits the potential for Areas of Last Resort by providing further opportunities to induce private-sector investment if an "Area of Last Resort" is approved by the Board, or in comparable locations such that the utility ownership of an approved Area of Last Resort is obviated.

81. COMMENT: RECO highlights how critical flexibility is to the evolving industry. RECO emphasizes that full and timely cost recovery is crucial for EDCs, with flexibility allowed for the particular recovery mechanism, and stated that cost recovery mechanisms must be approved for each of the EDC MHD EV programs prior to commencing them and incurring associated incremental costs.

    RESPONSE: *The Board thanks RECO for its comment and notes that this Order provides the EDCs with the flexibility necessary to create programs that meet the standards outlined in the Straw and reflected in the Order. The Order additionally provides for flexibility in EDC proposed cost recovery mechanisms.*

82. COMMENT: The VEGs, ACE, and FE urge the Board to allow EDCs to have the flexibility to propose and develop innovative programs and charging infrastructure.

    RESPONSE: *It is the Board's* position *that the Order provides the EDCs with the flexibility necessary to create programs that meet the standards outlined in the second straw proposal and reflected in the Order.*

83. COMMENT: ATE urges the Board to allow EDCs to have the flexibility to propose and develop innovative programs and charging infrastructure and also advocates to allow EDCs to propose their own parameters in compliance filings, in Order to better identify and propose solutions to implementation gaps, underserved vehicle types, or fleet configurations that require attention.

    RESPONSE: *The Board thanks ATE for its comment and notes that this Order provides the EDCs with the flexibility necessary to create programs that meet the standards outlined in the second straw proposal and reflected in the Order.*

84. COMMENT: ChargEVC-NJ believes that requirements that specifically exclude "dual use" application (i.e., charging for both medium-and heavy-duty or in public charging) should be removed since they're unnecessarily restrictive.

    RESPONSE: *The Board notes that the Order does not prohibit multiple uses on a site, but instead provides that incentives shall be based on the use case.*

Areas of Last Resort

85. COMMENT: ATE and EA believe there is a need for EDC investment to complement private sector investments, which extends to owning and operating without the need to first determine if a site is "Last Resort." Comments urge the Board to establish a broad framework for EDCs to file a proposal, including prompt cost recovery. Comments further urge the Board to change the definition of "Last Resort" to include a longer timeframe of three to four years, which more realistically reflects the time to develop new charging stations.

    RESPONSE: *The Board notes that Areas of Last Resort are limited to public charging depots and may not be utilized by fleets. The Board recognizes changes to the market have occurred and that this Order expands the timelines for Areas of Last Resort: eighteen (18) months in OBMs and twenty-four (24) months in other areas, and by the end of the four (4)-year program they may no longer make requests for ownership. The commenters' proposal would allow such areas after the programs had already expired.*

86. COMMENT: Rate Counsel does not believe that the "Last Resort" model is a good fit for MHD EV and commercial light duty EV fleet charging depots. Rate Counsel contends that, to the extent that any EDC funding is required to spur investment, the Board should consider a reverse auction model to establish the minimum subsidy necessary to spur investment by the private sector.

    RESPONSE: *The Board recognizes changes to the market have occurred and that this Order expands the timelines for Areas of Last Resort: eighteen (18) months in OBMs and twenty-four (24) months in other areas, and by the end of the four (4)-year program they may no longer make requests for ownership. The Board notes that Areas of Last Resort are limited to public charging depots and may not be utilized by fleets, the Board has chosen this model to create consistency in this area.*

Miscellaneous Comments

87. COMMENT: NJR provided comments in support of adopting Hydrogen technology to move towards a Zero Emission Transportation network. Comments suggested that MHD vehicles were uniquely suited to hydrogen adoption due to their long distances and lack of downtime for charging. Comments encouraged the State to use the existing pipeline network to transport hydrogen and supply refueling stations. Mr. Kirk Frost also commented in support of hydrogen deployment and cited several examples where the technology is in use.

    RESPONSE: *The Board thanks NJR for its comments and is enthusiastic to embrace all modes of clean transportation in the future. The Board notes that the Electric Vehicle Act, codified at N.J.S.A. 48:25-1, et seq., is the authorizing statute for the instant Order which, at the present time, does not account for hydrogen-power vehicles at this time.*

88. COMMENT: NJ-IEC had several concerns regarding the proposal's aim of giving electrical contracting work to the EDCs, rather than allowing licensed electrical contractors perform the Make-Ready build out. In addition, NJ-IEC suggested that the Board should require shareholder dollars to be used rather than ratepayer dollars.

    RESPONSE: *The Board notes that, while the proposal and Order are designed to define the types of EV charging work that EDCs may provide incentives for, such work would still be performed by licensed electricians. The Board further notes that it is its role to define what work is eligible for recovery in rates and which work is required under the Order. The Board notes that this Order aims to limit ratepayer funding to the Make-Ready portion of charging infrastructure, directing that ratepayer dollars may not be utilized for charging stations or vehicles.*

89. COMMENT: RECO believes that applicants should not be allowed to reserve capacity merely by submitting an application and entering the queue. RECO expresses concern that such a process will result in developers racing to submit applications in Order to claim all available capacity, eliminating such capacity early on and deterring more viable projects from submitting applications. Although RECO proactively engages with EV charger developers early in the development process and often prior to receiving applications, it contends that guaranteeing sufficient site capacity is impractical, as it does not reserve capacity until a project meets certain predefined milestones. RECO cites its own experiences and that of New York's as plainly demonstrating that many applicants ultimately do not deploy and energize their projects.

RESPONSE*: The Board notes that this Order does not require any such a reservation for capacity be made, but the required technical planning should help identify future needs.*

90. COMMENT: Rate Counsel's comments highlight the lack of context presented in this straw proposal within other EV charging programs, and feel it is inappropriate for this straw proposal to be placing financial burden on ratepayers, especially when many do not own a motor vehicle and when inflation is particularly high.

    RESPONSE: *The Board notes that it has worked collaboratively with other State departments to align incentives to ensure that private and public funding are also utilized. The Board further notes that the shared responsibility model has allowed for private entities to stack utility Make-Ready incentives with State charger incentives and private funding to successfully increase EV adoption and charger installation. Additionally, the Board notes that this Order provides incentives for Public Serving Transportation, which is most often accessed by residents who do not own motor vehicles, ensuring equitable access to Clean Transportation.*

91. COMMENT: DTNA suggests the Board consider the 5–10-year outlook and evaluate the time and cost effectiveness of adding the needed distribution capacity incrementally on a request-by-request basis versus "in-bulk."

    RESPONSE: *The Board notes that this Proposal is but one piece of the EV Ecosystem and that multiple sectors are working together to encourage investment in this sector. The technical planning aspects will allow for more long-term projections and capital planning as the sector grows.*

Exhibit 2

MINIMUM FILING REQUIREMENTS

I. Electric Vehicle Definitions

The following words and terms, as used in the MHD EV minimum filing requirements ("MFRs"), shall have the following meanings, unless the context clearly indicates otherwise.

"Combined Charging System charging port" or "CCS port" refers to a DCFC charging port consisting on a SAE J1772 plug and a direct current plug. CCS chargers are able to provide up to 350kW of charge (over 500 miles) in half an hour. All manufacturers with the exception of Nissan, Tesla, and Mitsubishi have a CCS port. Nissan, Tesla, and Mitsubishi's ports are different shapes and have different charging mechanisms, so users are unable to plug into a CCS charger. To charge an EV with a CCS port, the user plugs the CCS cable from the charger into the CCS port on their car.

"Demand charges" are an existing feature of many commercial and industrial rates whereby large users of the electric system pay for their contribution to the fixed costs of operating the electric system. In most cases, Demand Charges are set at a customer's peak annual usage.

"Direct Current Fast Charger" or a "level 3 charger" means a 50kW or greater charger that enables rapid charging by delivering direct-current ("DC") electricity directly to an EV's battery. Also DCFC

"Dual-port charger" means a charger with two (2) ports.

"Electric Vehicle Supply Equipment" or "EVSE" means a device with one (1) or more charging ports and connectors for charging EVs.

"Energy Star" refers to the government-backed symbol for energy efficiency, as administered by the US Environmental Protection Agency.

"EV Capacity Map" refers to up-to-date infrastructure mapping which illustrates areas in which EV charging equipment is well suited for installation due to underutilization of the grid, and areas in need of upgrades to support the additional supply required for EV charging to reflect EV capacity.

"EV Ecosystem" or "Ecosystem" refers to all physical equipment necessary to charge a vehicle (light-, medium-, or heavy-duty), which includes the EVSE (i.e., "charging station infrastructure"), the Make-Ready portion of the electrical system, and distribution upgrades on the utility-side of the meter and any customer-owned support equipment needed for reliable, resilient, and cost effective ongoing operation of the charging services.

"EVSE Infrastructure Company" refers to an entity using private capital to deploy EVSE (i.e., "charging station infrastructure"). An EVSE Infrastructure Company cannot be an EDC, affiliated with an EDC, or an entity controlled by an EDC, unless otherwise approved by the Board.

"Fleet" refers to vehicles owned or operated by a single entity, serving a specific purpose, with defined roles or tasks.

"Freight EV Corridors" means corridors named by the United States Department of Transportation ("USDOT") or nominated by the State of New Jersey and approved by USDOT these may be nominated as part of the Alternative Fuel Corridors nominations or other processes designated by USDOT.

"Government entity" means a customer that is a State entity, school district, county, county agency, county authority, municipality, municipal agency, municipal authority, New Jersey public college, New Jersey public university or any other entity managed by government.

"Heavy-Duty Vehicle" means any motor vehicle having a manufacturer's gross vehicle weight rating greater than 26,001 pounds (classes 7 and 8). Examples include, but are not limited to tractor-trailers, city transit buses, mobile cranes, cement mixers, refuse trucks, and tractors designed to pull refrigerated trailers, dry vans, and other equipment. This definition aligns with the Federal Highway Administration's definition of a heavy- duty vehicle.

"High-Powered DC Fast Charger" means EVSE that provides at least 150 kW of direct current electrical power for charging a plug-in EV through a connector based on fast charging equipment standards, and which is approved for installation for that purpose under the National Electric Code through an Underwriters Laboratories Certification or an equivalent certifying organization.

"Last Resort" refers to locations that have not generated private investment interest in EV charging stations for a minimum of eighteen (18) months after an EDC program has begun for overburdened municipalities, or twenty-four (24) months for other areas.

"Level 1 charger" refers to a charger that plugs into a common, residential 120V AC outlet. Colloquially this is referred to as "trickle charging" or "slow charging" due to the slow charging speed. An EV may take four (4) to fifty (50) hours to fully charge depending on battery and vehicle size. A Level 1 charger typically comes with an EV and can be plugged into any outlet without modifications.

"Level 2 charger" refers to a charger that plugs into a 240V or 208V AC outlet. This is voltage that many household appliances like ovens or washer/dryers use, so installing a Level 2 residential charger is possible though some electrical re-wiring may be needed. A Level 2 charger typically takes four(4) to ten (10) hours to fully charge an EV depending on battery and vehicle size.

"Light-Duty Fleet" refers to a group of light-duty vehicles, as defined below, which perform a specific function to transport goods or people.

"Light-Duty Vehicle" means any motor vehicle weighing less than 10,000 pounds (classes 1 and 2). Light-duty vehicles are further divided between vehicles classified by federal emission control regulations as either passenger cars or trucks. This definition aligns with the Federal Highway Administration's definition of a light- duty vehicle.

"Load-modifying technologies" refers to any technology that allows for modifying an electrical load, including but not limited to, energy storage devices, renewable energy generation sources, or other distributed energy resources.

"Make Ready" means the pre-wiring of electrical infrastructure at a parking space, or set of parking spaces, to facilitate easy and cost-efficient future installation of EVSE, including, but not limited to, Level 2 EVSE and DC Fast Chargers. "Make Ready" includes expenses related to service

panels, junction boxes, conduit, wiring, etc., necessary to make a particular location able to accommodate EVSE on a "plug and play" basis. "Make Ready" is synonymous with the term "Charger ready," as defined in the EV Act. May also be "Make-Ready" when modifying another word.

"Managed charging" is a proposed incentive or rate to incent charging to occur during off-peak periods to maximize availability of existing infrastructure and put downward pressure on distribution rates.

"Medium-Duty Vehicle" means any motor vehicle which weigh between 10,001 and 26,000 pounds, including trucks with two (2) or more axles or with six (6) or more tires (classes 3-6). Medium-duty fleet vehicles are further divided between vehicles classified by federal emission control regulations and serve a specific function that is pre-determined by the fleet owner or operator. Examples include delivery vans, firetrucks, and school buses. This definition aligns with the Federal Highway Administration's definition of a medium- duty vehicle.

"MHD EV Ecosystem" or " MHD Ecosystem" refers to all of the physical equipment necessary to charge an MHD vehicle, which includes the EVSE (i.e., "charging station infrastructure"), the Make-Ready portion of the electrical system, as well as distribution upgrades on the utility-side of the meter and any customer-owned support equipment needed for reliable, resilient, and cost effective ongoing operation of the charging services.

"Network interoperability" is the continuous ability to send and receive data among the interconnected EV charging networks, providing the quality level expected by the customer without any negative impact to the sending and receiving networks. Interoperability refers to the compatibility of key system components—vehicles, charging stations, charging networks, and the grid—and the software systems that support them, allowing all components to work seamlessly and effectively.

"Overburdened Community" or "OBC" means a Census Block as defined by the New Jersey Department of Environmental Protection pursuant to New Jersey's Environmental Justice Law, N.J.S.A. 13:1D-157.

"Overburdened Municipality" or "OBM" is defined by BPU's Office of Clean Energy Equity. The definition is presently a municipality that has over fifty percent (50%) of its population living in an Overburdened Community Census Block as defined by the New Jersey Department of Environmental Protection pursuant to New Jersey's Environmental Justice Law, N.J.S.A. 13:1D-157; and the municipality has either (i) over thirty-five percent (35%) of the population living under 200% of the poverty level according to U.S. Census 2019 ACS data; or (ii) the municipality is categorized as "distressed" according to the New Jersey Department of Community Affairs ("DCA") based on their score using the DCA's Municipal Revitalization Index score [a score of forty (40) or higher means the municipality is "distressed" under the DCA's Municipal Revitalization Index criteria]. A list of eligible OBMs is available on the Board's website.[44]

"Port" is the energy-dispensing circuit that terminates to a standard coupler through conductive or wireless methods of the charging station that connects to the EV, defined as the number of simultaneously operable connectors at the rated power. Synonymous with "Charging Port."

[44] BPU, Community Energy Plans. Retrieved April 26, 2024, https://www.njcleanenergy.com/commercial-industrial/programs/community-energy-plans.

“Private Fleet” is a fleet of vehicles owned by a private entity.

“Private Fleet Charging Depot” refers to a charger, or bank of chargers, that is available to, but not limited to, MHD vehicles which are not Public or Public-serving fleet charging locations. Such chargers are owned and operated by a site owner, property manager or management company, or EVSE Infrastructure Company and enrolled in a managed charging program approved by the Board.

“Proprietary charging connector” is defined as a charging connector that is incompatible with vehicles that utilize a “standard connector port” as defined in this section.

“Public fleets” are those vehicle fleets that are owned and operated by a government entity.

“Public-serving fleets” are those vehicle fleets that are operated by a government entity or that provide a public service (i.e. public transportation, school buses, public works fleets, police fleets, etc.).

“Public-serving charging” refers to a charger, or bank of chargers, that is utilized by government or Public-serving Light-Duty Fleets and/or MHD vehicles and/or other vehicles. This includes, but is not limited to, government fleets, NJ Transit, buses that serve NJ Transit routes, school buses, and other para-transit vehicles.

“Publicly-Accessible MHD Charging” refers to a charger or charger bank that is available and accessible to, but not limited to, MHD vehicles that the public can utilize on a drive-up, subscription, or scheduled basis. Such depots must be accessible twenty-four (24) hours a day, seven days a week and be listed on the United States Department of Energy Alternative Fueling Station Locator. Accessible to MHD includes but is not limited to utilizing pull through stalls. Such chargers are owned and operated by a site owner, property manager, or management company, EVSE Infrastructure Company or, in limited cases as approved by the board, an EDC

“Site owner and operator” means site host, property manager, the utility customer of record, an EVSE Infrastructure Company, or an EDC with Board approval that is responsible for installing, owning, operating, and maintaining EVSE on the premises. The site host may or may not be the same entity as the station operator. Synonymous with “Charging site owner and operator.”

“Small business” is defined as twenty-five (25) employees or less than $5 million in annual revenue.

“Standard connector port” is defined as a port that meets the non-proprietary technical specifications, including Combined Charging System (“CCS”) and Charge de Move (“CHAdeMO”) connectors for DC Fast Charger stations and SAE J1772 connectors for Level 2 charging stations. Ports that are applicable for USDOT National Electric Vehicle Infrastructure (“NEVI”) funds will be considered standard connector ports, including but not limited to J3400 when included with a CCS1 port.

“Time to electrification” refers to the time projected from date of application to date of commercial operation.

“Total project cost” refers to the combined costs of the Make Ready, installation, charger, permitting, and required signage costs for a project.

"Vehicles in operation" or "VIO" refers to an estimate for the number of vehicles currently on the road.
"Vehicle miles traveled" or "VMT" is a calculation of the total miles traveled by vehicles on the roadway.

II. Administrative Requirements

Each EDC must file a petition with the Board for approval of an MHD Plan.

1) Each EDC shall file a MHD Plan with the Board within 120 days of the effective date of this Order, including a detailed budget for all programs and sub-programs.

2) The MHD Plan shall have a duration of forty-eight (48) months.

III. MHD Plan Requirements

Each EDC's MHD Plan must include:

1) Incentives to facilitate the deployment of Make-Ready sites for:

    a) All Publicly-Accessible MHD depots, and Public and Public-serving fleets. Such incentives must offer prioritization and enhanced incentives for such fleets or public charging sites located in or that provide a public service in an OBM or OBC directly adjacent to federally designated Freight EV Corridors; and

    b) Private Fleet Charging Depots that:

        i. are located or primarily operate in Overburdened Municipalities ("OBMs"), or in Overburdened Communities ("OBCs") directly adjacent to federally designated Freight EV Corridors;
        ii. For a fleet to "primarily operate" within a designated area, the fleet must operate in that identified territory for at least fifty-one percent (51%) of the vehicle miles traveled ("VMT") over the course of the compliance period.

2) Incentives for up to 100% of the average estimated cost per charger for Publicly-Accessible MHD depots, and Public and Public-serving charging on both the customer and utility side, with breakdowns for average costs of Make Ready for chargers <50kW, 50kW, 100kW, 150kW, and 350 kW, and with additional incentives for prioritized sites. EDCs must provide a detailed description of the cost calculations;

3) Incentives for up to fifty percent (50%) of the average estimated cost per charger for eligible Private Fleet charging on both the customer and utility side with breakdowns for average costs of Make Ready for chargers <50kW, 50kW, 100kW, 150kW, and 350 kW, and with additional incentives for prioritized sites. EDCs must provide a detailed description of the cost calculations;

4) Incentives for Private Fleets must include requirements for managed charging and mechanisms to ensure at least twenty-five percent (25%) reduction in emissions miles over the course of two (2) years.

5) A method for identifying Make-Ready locations that will be prioritized based on those which will provide the greatest public benefit, including those that will provide greater access to electrified transportation to the general public and, in particular, to OBMs and locations on federally designated Freight EV Corridors. Prioritization may be in the form of additional funding, not to exceed 100% of the cost of the Make Ready for Publicly-Accessible MHD depots, and public and Public-serving fleet and Publicly-Accessible EV chargers and not to exceed seventy-five percent (75%) of the cost of the Make Ready for private fleet chargers. Criteria may include but is not limited to:

    a) Overburdened Communities;
    b) Overburdened Municipalities;
    c) Small Businesses; and
    d) The prioritization of electrification of existing fleet operations or sites rather than projects with new fleet operations or sites.

6) A commitment to participate in the EDC industry working group.

7) Outreach and education plans to ensure that MHD customers are aware of the incentives and technical and planning assistance that is available to them. Plans should be designed to encourage the use of the managed charging programs and to promote the availability of incentives to eligible applicants.[45]

8) Performance standards and procedures to be implemented by the EDC to ensure:
    a) Compliance of applicant with the EDC's MHD Plan requirements;
    b) Compliance of EDC and applicant with federal uptime requirements, currently established as ninety-seven percent (97%);[46]
    c) Installation of Make-Ready infrastructure within eighteen (18) months of receiving a request from an applicant, with a six (6)-month extension opportunity to address any additional supply chain delays;
    d) Utilization of managed charging for a significant percentage of each applicant's total fleet charging;
        i. Each EDC shall establish what percentage of fleet charging is "significant" based on territory requirements, between twenty-five and ninety percent (25-90%) of total fleet charging. This percentage may be adjusted in years three (3) and four (4) of the program, with Staff approval.
        ii. EDCs shall additionally propose guidelines for managed charging programs.
    e) Chargers installed on utility-funded Make-Ready infrastructure shall be required to be operational for a minimum of five (5) years after installation.

    f) Network interoperability and data sharing by the applicant to the EDC, in order to ensure proper management of the load and general grid needs due to the high-anticipated draw.

[45] "Applicant" or "program applicant" refers to any entity applying to a program that is part of an approved EDC MHD Plan pursuant to these MFRs.

[46] 23 C.F.R. § 680.116 (2023).

9) Proposed enforcement mechanisms to achieve all requirements as outlined in the MFRs, including but not limited to, penalties, repayment of incentives, and withholding of bonds or reimbursement.

10) A process for approval of chargers to be installed on funded Make Ready. EDCs must allow new chargers that meet eligibility requirements to be added throughout the duration of each program. EDCs must also propose performance standards and procedures to ensure:

    a) Ability to collect data to be shared as required in these MFRs.
    b) Implementation of dual-port chargers wherever possible and practical. EDCs must propose policies to determine the feasibility of dual-port charger utilization.
    c) Inclusion of at least one (1) CCS port by the applicant. EDCs may require or allow additional ports or charger types.
    d) Installation of chargers on utility-funded Make-Ready infrastructure that are non-proprietary and use a network service provider that is on the State's qualified network service provider list.[47]
    e) Energy Star compliance for Level 1 and Level 2 chargers.
    f) Chargers installed on utility-funded Make-Ready infrastructure remain operational for a minimum of five (5) years after installation.

11) Technical and planning assistance for customers seeking electrical service for EV chargers for Public and Public-serving fleets, Private Fleets, MUDs, and any Publicly-Accessible, fast-charging sites over 500kW. Such assistance should include guidance on the following:

    a) Assessing capacity for EV charging with consideration of locations of existing electrical panels throughout the property, output voltage of existing electrical panels, approximate current loads on existing electrical panels, approximate headroom of each existing panel, whether the current electrical capacity requires upgrades or the establishment of a new electrical service supply, and approximate space in the area where an existing electrical panel is located to potentially accommodate additional equipment.
    b) Properly siting charging locations including, but not limited to, proximity to existing power sources, network connection, potential trenching, cord management, lighting, visibility, signage, and accessibility requirements.
    c) Scalability and whether future expansion can be accommodated via factors such as flexible power capacity, load management solutions, and the incorporation of emerging technologies.

12) EV Capacity Maps for each EDC's respective service territories that are publicly available. EV Capacity Maps shall be up-to-date infrastructure mapping which illustrates areas in which EV charging equipment is well suited for installation due to underutilization of the grid, and areas in need of upgrades to support the additional supply required for EV charging to reflect EV capacity. To the extent possible, EV Capacity Maps shall include or be comparable to infrastructure maps indicating interconnection capacity. Such EV Capacity Maps must be as current as possible and shall include:

    a) Available capacity up to three (3) MW;

[47] NJDEP, Network Service Provider Solicitation, https://dep.nj.gov/drivegreen/network-service-providers/.

b) Available capacity up to five (5) MW; and
c) Indication of whether the power is carried through overhead lines or below ground trenches.

13) Projection reports detailing where grid enhancements will be necessary, and projected cost estimates based on current MHD fleet locations.

14) A process for providing charging data to the Board for all chargers installed on utility-funded Make-Ready infrastructure. Data requirements will be in line with those enumerated through the State's compliant network process and the process for sharing such data will be determined by the BPU.[48] Such data will be anonymized and aggregated by the Board or Board designee and shall include, but not be limited to:

a) Location of chargers (latitude/longitude);
b) Duration of charging sessions;
c) Frequency of sessions;
d) Load curves; and
e) Utilization rates of fleet charging.

15) Each EDC must propose, at the time of filing, a demand charge solution that addresses the unique needs of MHD EV charging. Those solutions should lead to meaningful reductions over a length of time and include a sunset provision. These solutions should include at least one of these elements:

a) Incorporate managed charging solutions, either through hardware or software that promotes off-peak charging where applicable; or
b) Adopt on-peak demand charges that ensure a rapid recovery of Make-Ready infrastructure funded by ratepayers if the user elects to charge during peak periods.

16) Each EDC must propose its own method to address demand charge concerns for Publicly-Accessible and Public-serving chargers, and those solutions may include, but are not limited to:

a) An EV charging rate; or
b) A rebate methodology that ensures that the effective $/kW-hour rate (i.e., the demand charge averaged over the number of kW-hours used in a given month added to the standard $/kW-hour rate) remains below a specified "set point."

17) Each EDC must propose an incentive or managed rate for MHD and light-duty fleet EV chargers designed to reward customers who charge during periods where electricity is less expensive. Each EDC proposal should focus on keeping costs low and ensuring that the program is open to customers on a non-discriminatory basis.

[48] Ibid.

IV. MHD Plan: Additional Components

The MHD Plan may additionally include:

1) Proposed programs to allow for co-location of MHD vehicle charging with load-modifying technologies.

    a) EDCs may permit an applicant to interconnect to the EDC system based on its net energy demand, after considering any load-modifying technologies, including non-wire solutions, subject to the EDC's right to physically limit service to the modified level; or
    b) EDCs may permit an applicant to request that the EDC evaluate the Make-Ready and distribution system upgrade costs without the load-modifying technologies and provide an incentive equal to the eligible Make-Ready incentive to be applied to load-modifying technologies, up to seventy-five percent (75%) of the costs of such load modifying or non-wire technologies if those technologies will reduce time to electrification by at least fifty percent (50%).

2) Incentives and programs which will encourage Public and Public-serving fleets to participate in managed charging programs.

3) Managed charging programs for fleets that are otherwise not eligible for Make-Ready incentives.

4) Up to fifty percent (50%) incentives of the additional cost of installing interconnection-ready Make Ready for Public, Public-serving, and eligible Private Fleets.

V. Funding Mechanisms for MHD Plans

1) In order to limit the impact on ratepayers and to provide guidance to EDCs on how to right size budgets, the EDCs must cap the amount of incentives available for the duration of the program at the totals below. These caps take into account both the total population within each EDC territory as well as the number of MHD Vehicles in Operation ("VIO") within the territory. These caps are reflective of the needs of the territories while also balancing the need to keep rate-payers' costs in check. These caps pertain to the total amount of incentives and should provide guidance to the EDCs in right-sizing administrative budgets. EDCs may also propose additional budgets to satisfy the other requirements of this MFR.

    The table below shows the incentive budget amounts for the MHD Plans broken out by EDC.

EDC	**Total Incentive Budget**
Rockland Electric Company	$5 million
Public Service Electric and Gas Company	$30 million
Jersey Central Power & Light Company	$15 million
Atlantic City Electric Company	$5 million

2) For years three (3) and four (4) of the program, EDCs may request an adjustment to these caps. Such adjustment requests shall be submitted to Staff and New Jersey Division of Rate Counsel ("Rate Counsel") with a written description of and rationale for the proposed adjustment, whether up or down. And objections, if any, shall be made within thirty (30) days. Approvals for adjustments shall be as follows:

    a) Up to ten percent (10%) of the cap, upon notification to Staff and Rate Counsel [which notice shall be provided thirty (30) days in advance of the change]. Staff retains the ability to review and reject any noticed adjustments.

    b) Between eleven and twenty-four percent (11-24%) of the cap upon notification of Staff and Rate Counsel and subsequent written consent of Staff.

    c) Adjustments of twenty-five percent (25%) and over upon Board approval.

    Any requests for additional funding will require Board approval.

3) All requests for budget adjustments shall be submitted to Staff and Rate Counsel. Staff retains the right to reject adjustments requiring Staff notification. All requests for budget adjustments, including those necessitating Staff approval, shall be submitted to Staff and Rate Counsel with a written description of and rationale for the proposed transfers, and objections, if any, shall be made within thirty (30) days.

    a) EDCs will be allowed to reallocate the sub-program budgets in the following way:
        i. By up to five percent (5%) of each sub-program's total budget, upon notification to Staff and Rate Counsel (which notice shall be provided 30 days in advance of the change).
        ii. By between six percent (6%) and twenty-four percent (24%) of each of these sub-program budgets upon notification to Staff and Rate Counsel and subsequent written consent of Staff.
        iii. To reallocate twenty-five percent (25%) and over of each of these sub-program budgets upon Board approval.

4) No one entity that applies for an incentive under any approved MHD Plan may receive more than twenty-five percent (25%) of the total incentive budget of any one (1) EDC.

5) EDCs must require program applicants to disclose whether they are seeking public funding. In no case shall the combination of the federal, State, other government, and utility sources fund more than ninety percent (90%) of a project's total costs through rebates or other direct incentives.[49] If more than ninety percent (90%) of the total project costs are funded through federal, State, other government, and utility rebates or grants, the EDC shall reduce its incentive funding to bring the total rebates and incentives to under ninety percent (90%) of the total project costs

[49] For the purposes of this calculation, the total project costs shall include any Make-Ready costs paid for by the EVSE, charger costs, and the costs of any installation, permitting, and any required signage. Rebates and incentives that must be considered towards the ninety percent (90%) calculation include: any Federal rebates or grants; other State, any other Government entity, or New Jersey Clean Energy Program incentive funding; incentives provided as part of an approved MHD charging program; and incentives provided as part of an approved Storage incentive program. For government-owned fleets, funding restrictions do not include capital or operating costs dedicated to building charging infrastructure.